

GREAT-WEST
LIFECO INC.

Supplemental Information Package
For Analysts and Investors
(Unaudited)

Q2 2021

canada  Irish Life   

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 (loss)”, “base earnings per common share”, “return on equity”, “base return on equity”, “premiums and deposits”, “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. Where a non-IFRS measure has not been described in this document, refer to the “Non-IFRS Financial Measures” section in the Company’s Q2 2021 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.

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Lifeco Overview

Great-West Lifeco Inc. (GWO, Lifeco or the Company) is a financial services holding company with interests in the life insurance, health insurance, retirement savings, investment management, and reinsurance businesses, primarily in Canada, the United States, and Europe through its operating subsidiaries including The Canada Life Assurance Company, Great-West Life & Annuity Insurance Company, Putnam Investments, LLC and Irish Life Group Limited. Lifeco and its companies have approximately \$2,156 billion in assets under administration. Lifeco is a member of the Power Corporation group of companies.

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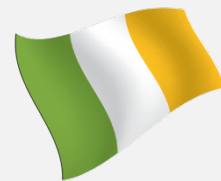
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Great-West Lifeco Inc.



Lifeco Financial Highlights

(CSMM, except Earnings per common share)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums ⁽¹⁾	11,751	13,152	11,747	9,976	10,390	10,906	9,478	9,324	24,903	21,296	43,019
Total net investment income (loss)	4,404	(3,995)	3,544	2,278	7,914	(2,074)	(304)	3,554	409	5,840	11,662
Fee and other income	1,800	1,751	1,569	1,486	1,406	1,441	1,515	1,496	3,551	2,847	5,902
Total income	17,955	10,908	16,860	13,740	19,710	10,273	10,689	14,374	28,863	29,983	60,583
Net earnings - common shareholders	784	707	912	826	863	342	513	730	1,491	1,205	2,943
Net earnings attributable to preferred shareholders	33	33	33	33	34	33	33	33	66	67	133
Net earnings - total shareholders	817	740	945	859	897	375	546	763	1,557	1,272	3,076
Common shareholder earnings (loss) - by segment											
Net earnings (loss)											
Canada	288	287	300	266	353	151	188	300	575	504	1,070
U.S.	150	89	208	89	78	5	(121)	77	239	83	380
Europe	185	195	253	316	253	91	335	282	380	344	913
Capital and Risk Solutions	152	145	167	167	187	93	117	75	297	280	614
Corporate	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Total	784	707	912	826	863	342	513	730	1,491	1,205	2,943
Base earnings (loss)											
Canada	293	298	348	270	315	273	274	355	591	588	1,206
U.S.	190	104	90	83	83	17	89	79	294	100	273
Europe	184	201	195	182	179	132	317	161	385	311	688
Capital and Risk Solutions	150	145	124	156	137	119	157	86	295	256	536
Corporate	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Total	826	739	741	679	706	543	831	677	1,565	1,249	2,669
Earnings per common share											
Net earnings (Basic)	\$0.844	\$0.762	\$0.983	\$0.891	\$0.930	\$0.369	\$0.552	\$0.786	\$1.605	\$1.299	\$3.173
Net earnings (Diluted)	\$0.842	\$0.761	\$0.983	\$0.891	\$0.930	\$0.369	\$0.552	\$0.785	\$1.604	\$1.299	\$3.172
Base earnings (Basic)	\$0.889	\$0.796	\$0.799	\$0.732	\$0.761	\$0.585	\$0.895	\$0.729	\$1.685	\$1.347	\$2.878
Base earnings (Diluted)	\$0.888	\$0.796	\$0.799	\$0.732	\$0.761	\$0.585	\$0.894	\$0.728	\$1.684	\$1.347	\$2.877

⁽¹⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Lifeco Common Shareholder Net Earnings

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Common shareholder net earnings (loss)											
Canada											
Individual Customer	157	126	(9)	119	195	12	87	85	283	207	317
Group Customer	189	155	189	134	197	147	114	206	344	344	667
Corporate ⁽¹⁾	(58)	6	120	13	(39)	(8)	(13)	9	(52)	(47)	86
	288	287	300	266	353	151	188	300	575	504	1,070
U.S.											
Financial Services ⁽²⁾⁽³⁾	159	93	62	112	68	44	100	63	252	112	286
Asset Management	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Corporate ⁽⁴⁾	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
	150	89	208	89	78	5	(121)	77	239	83	380
Europe ⁽⁵⁾											
U.K.	30	108	156	67	109	91	206	167	138	200	423
Ireland	72	46	54	196	101	(16)	88	83	118	85	335
Germany	92	43	47	56	46	19	35	36	135	65	168
Corporate	(9)	(2)	(4)	(3)	(3)	(3)	6	(4)	(11)	(6)	(13)
	185	195	253	316	253	91	335	282	380	344	913
Capital and Risk Solutions											
Reinsurance	153	146	171	168	188	94	128	75	299	282	621
Corporate	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)
	152	145	167	167	187	93	117	75	297	280	614
Lifeco Corporate	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Total common shareholder net earnings	784	707	912	826	863	342	513	730	1,491	1,205	2,943

⁽¹⁾ Q4 2020 includes a \$143m (after-tax) net gain on the sale of GLC Asset Management Inc. (GLC), as well as restructuring costs of \$34m (after-tax).

⁽²⁾ Q3 2020 includes the operating results of Personal Capital Corporation (Personal Capital) for the period from the acquisition date of August 17, 2020 to September 30, 2020.

⁽³⁾ Q2 2021 includes integration costs of \$11m (after-tax). Q1 2021 includes integration costs of \$12m (after-tax). Q4 2020 includes integration costs of \$4m (after-tax).

⁽⁴⁾ Q2 2021 includes \$24m (after-tax) of transaction costs related to the acquisitions of Personal Capital and the retirement services business of Massachusetts Mutual Life Insurance Company (MassMutual) and restructuring costs of \$4m (after-tax). Q1 2021 includes \$1m (after-tax) of transaction costs related to the MassMutual acquisition. Q4 2020 includes a \$196m revaluation of a deferred tax asset, \$47m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions and restructuring costs of \$29m (after-tax). Q3 2020 includes \$31m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions. Q4 2019 includes \$36m (after-tax) of restructuring costs and a charge of \$199m relating to the revaluation of a deferred tax asset.

⁽⁵⁾ Q2 2021 includes a charge of \$21m related to the revaluation of deferred tax liabilities resulting from legislated increases to future U.K. corporation tax rates. Q3 2020 includes a \$94m (after-tax) net gain on the Irish Progressive Services International Limited (IPSI) transaction. Q4 2019 includes an \$8m (after-tax) net gain on the Scottish Friendly transaction.

Lifeco Base Earnings

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Base earnings (loss)											
Canada											
Individual Customer	162	138	132	123	159	138	143	165	300	297	552
Group Customer	189	154	205	134	195	143	144	181	343	338	677
Corporate	(58)	6	11	13	(39)	(8)	(13)	9	(52)	(47)	(23)
	293	298	348	270	315	273	274	355	591	588	1,206
U.S.											
Financial Services ⁽¹⁾	171	107	64	75	73	56	75	65	278	129	268
Asset Management	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Corporate	(2)	—	(9)	(5)	(2)	3	(4)	1	(2)	1	(13)
	190	104	90	83	83	17	89	79	294	100	273
Europe											
U.K.	53	120	96	78	88	72	233	105	173	160	334
Ireland	68	43	62	70	53	27	52	29	111	80	212
Germany	72	40	41	37	41	36	34	31	112	77	155
Corporate	(9)	(2)	(4)	(3)	(3)	(3)	(2)	(4)	(11)	(6)	(13)
	184	201	195	182	179	132	317	161	385	311	688
Capital and Risk Solutions											
Reinsurance	151	146	124	157	138	120	162	85	297	258	539
Corporate	(1)	(1)	—	(1)	(1)	(1)	(5)	1	(2)	(2)	(3)
	150	145	124	156	137	119	157	86	295	256	536
Lifeco Corporate	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Total base earnings	826	739	741	679	706	543	831	677	1,565	1,249	2,669

⁽¹⁾ Q3 2020 includes the operating results of Personal Capital for the period from the acquisition date of August 17, 2020 to September 30, 2020.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Lifeco – Reconciliation of Earnings

(CSMM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Lifeco totals											
Base earnings (loss)	826	739	741	679	706	543	831	677	1,565	1,249	2,669
Items excluded from base earnings											
Actuarial assumption changes and other management actions	37	5	(23)	66	122	(52)	(78)	81	42	70	113
Market-related impacts on liabilities	(19)	(24)	(31)	18	35	(149)	(13)	(28)	(43)	(114)	(127)
Tax legislative changes impact on liabilities	(21)	—	—	—	—	—	—	—	(21)	—	—
Revaluation of deferred tax asset	—	—	196	—	—	—	(199)	—	—	—	196
Restructuring and integration costs	(15)	(12)	(67)	—	—	—	(36)	—	(27)	—	(67)
Net gain/charge on business dispositions ⁽¹⁾	—	—	143	94	—	—	8	—	—	—	237
Transaction costs related to the acquisitions of Personal Capital and MassMutual	(24)	(1)	(47)	(31)	—	—	—	—	(25)	—	(78)
Net earnings	784	707	912	826	863	342	513	730	1,491	1,205	2,943

⁽¹⁾ Net gain/charge on business dispositions includes:

- In Q4 2020, a net gain of \$143m on the sale of GLC included in the Canada Corporate business unit.
- In Q3 2020, a net gain of \$94m on the sale of IPSI included in Europe Ireland business unit.
- In Q4 2019 a net gain of \$8m on the sale of heritage block of individual policies to Scottish Friendly included in the Europe Corporate business unit.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Canada – Reconciliation of Earnings

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Canada											
Individual Customer											
Base earnings	162	138	132	123	159	138	143	165	300	297	552
Items excluded from base earnings											
Actuarial assumption changes and other management actions	(6)	(14)	(131)	4	41	(98)	(52)	(80)	(20)	(57)	(184)
Market-related impacts on liabilities	1	2	(10)	(8)	(5)	(28)	(4)	—	3	(33)	(51)
Net earnings (loss)	157	126	(9)	119	195	12	87	85	283	207	317
Group Customer											
Base earnings	189	154	205	134	195	143	144	181	343	338	677
Items excluded from base earnings											
Actuarial assumption changes and other management actions	—	1	(16)	—	2	4	(30)	25	1	6	(10)
Net earnings	189	155	189	134	197	147	114	206	344	344	667
Corporate											
Base earnings (loss)	(58)	6	11	13	(39)	(8)	(13)	9	(52)	(47)	(23)
Items excluded from base earnings											
Restructuring and integration costs	—	—	(34)	—	—	—	—	—	—	—	(34)
Net gain/charge on business dispositions ⁽¹⁾	—	—	143	—	—	—	—	—	—	—	143
Net earnings (loss)	(58)	6	120	13	(39)	(8)	(13)	9	(52)	(47)	86
Canada totals											
Base earnings	293	298	348	270	315	273	274	355	591	588	1,206
Items excluded from base earnings											
Actuarial assumption changes and other management actions	(6)	(13)	(147)	4	43	(94)	(82)	(55)	(19)	(51)	(194)
Market-related impacts on liabilities	1	2	(10)	(8)	(5)	(28)	(4)	—	3	(33)	(51)
Restructuring and integration costs	—	—	(34)	—	—	—	—	—	—	—	(34)
Net gain/charge on business dispositions ⁽¹⁾	—	—	143	—	—	—	—	—	—	—	143
Net earnings	288	287	300	266	353	151	188	300	575	504	1,070

⁽¹⁾ Net gain/charge on business dispositions includes:

- In Q4 2020, a net gain of \$143m on the sale of GLC included in the Canada Corporate business unit.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

U.S. – Reconciliation of Earnings

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
U.S.											
Financial Services ⁽¹⁾											
Base earnings	171	107	64	75	73	56	75	65	278	129	268
Items excluded from base earnings											
Actuarial assumption changes and other management actions	—	—	3	38	—	—	25	(2)	—	—	41
Market-related impacts on liabilities	(1)	(2)	(1)	(1)	(5)	(12)	—	—	(3)	(17)	(19)
Restructuring and integration costs	(11)	(12)	(4)	—	—	—	—	—	(23)	—	(4)
Net earnings (loss)	159	93	62	112	68	44	100	63	252	112	286
Asset Management											
Base earnings (loss)	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Net earnings (loss)	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Corporate											
Base earnings (loss)	(2)	—	(9)	(5)	(2)	3	(4)	1	(2)	1	(13)
Items excluded from base earnings											
Revaluation of deferred tax asset	—	—	196	—	—	—	(199)	—	—	—	196
Restructuring and integration costs	(4)	—	(29)	—	—	—	(36)	—	(4)	—	(29)
Transaction costs related to the acquisitions of Personal Capital and MassMutual	(24)	(1)	(47)	(31)	—	—	—	—	(25)	—	(78)
Net earnings (loss)	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
U.S. Totals											
Base earnings	190	104	90	83	83	17	89	79	294	100	273
Items excluded from base earnings											
Actuarial assumption changes and other management actions	—	—	3	38	—	—	25	(2)	—	—	41
Market-related impacts on liabilities	(1)	(2)	(1)	(1)	(5)	(12)	—	—	(3)	(17)	(19)
Revaluation of deferred tax asset	—	—	196	—	—	—	(199)	—	—	—	196
Restructuring and integration costs	(15)	(12)	(33)	—	—	—	(36)	—	(27)	—	(33)
Transaction costs related to the acquisitions of Personal Capital and MassMutual	(24)	(1)	(47)	(31)	—	—	—	—	(25)	—	(78)
Net earnings (loss)	150	89	208	89	78	5	(121)	77	239	83	380

⁽¹⁾ Q3 2020 includes the operating results of Personal Capital for the period from the acquisition date of August 17, 2020 to September 30, 2020.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Europe – Reconciliation of Earnings

(C\$MM)	2021		2020				2019		YTD 2021	YTD 2020	Fiscal 2020
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Europe											
U.K.											
Base earnings	53	120	96	78	88	72	233	105	173	160	334
Items excluded from base earnings											
Actuarial assumption changes and other management actions	22	10	80	(27)	39	22	(9)	81	32	61	114
Market-related impacts on liabilities	(24)	(22)	(20)	16	(18)	(3)	(18)	(19)	(46)	(21)	(25)
Tax legislative changes impact on liabilities	(21)	—	—	—	—	—	—	—	(21)	—	—
Net earnings	30	108	156	67	109	91	206	167	138	200	423
Ireland											
Base earnings	68	43	62	70	53	27	52	29	111	80	212
Items excluded from base earnings											
Actuarial assumption changes and other management actions	—	7	(6)	31	11	16	27	66	7	27	52
Market-related impacts on liabilities	4	(4)	(2)	1	37	(59)	9	(12)	—	(22)	(23)
Net gain/charge on business dispositions ⁽¹⁾	—	—	—	94	—	—	—	—	—	—	94
Net earnings (loss)	72	46	54	196	101	(16)	88	83	118	85	335
Germany											
Base earnings	72	40	41	37	41	36	34	31	112	77	155
Items excluded from base earnings											
Actuarial assumption changes and other management actions	19	1	4	18	—	—	1	2	20	—	22
Market-related impacts on liabilities	1	2	2	1	5	(17)	—	3	3	(12)	(9)
Net earnings	92	43	47	56	46	19	35	36	135	65	168
Corporate											
Base earnings (loss)	(9)	(2)	(4)	(3)	(3)	(3)	(2)	(4)	(11)	(6)	(13)
Items excluded from base earnings											
Net gain/charge on business dispositions ⁽¹⁾	—	—	—	—	—	—	8	—	—	—	—
Net earnings (loss)	(9)	(2)	(4)	(3)	(3)	(3)	6	(4)	(11)	(6)	(13)
Europe totals											
Base earnings	184	201	195	182	179	132	317	161	385	311	688
Items excluded from base earnings											
Actuarial assumption changes and other management actions	41	18	78	22	50	38	19	149	59	88	188
Market-related impacts on liabilities	(19)	(24)	(20)	18	24	(79)	(9)	(28)	(43)	(55)	(57)
Tax legislative changes impact on liabilities	(21)	—	—	—	—	—	—	—	(21)	—	—
Net gain/charge on business dispositions ⁽¹⁾	—	—	—	94	—	—	8	—	—	—	94
Net earnings	185	195	253	316	253	91	335	282	380	344	913

⁽¹⁾ Net gain/charge on business dispositions includes:

- In Q3 2020, a net gain of \$94m on the sale of IPSI included in Europe Ireland business unit.
- In Q4 2019 a net gain of \$8m on the sale of heritage block of individual policies to Scottish Friendly included in the Europe Corporate business unit.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Capital and Risk Solutions – Reconciliation of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Capital and Risk Solutions											
Reinsurance											
Base earnings	151	146	124	157	138	120	162	85	297	258	539
Items excluded from base earnings											
Actuarial assumption changes and other management actions	2	—	47	2	29	4	(34)	(10)	2	33	82
Market-related impacts on liabilities	—	—	—	9	21	(30)	—	—	—	(9)	—
Net earnings	153	146	171	168	188	94	128	75	299	282	621
Corporate											
Base earnings (loss)	(1)	(1)	—	(1)	(1)	(1)	(5)	1	(2)	(2)	(3)
Items excluded from base earnings											
Actuarial assumption changes and other management actions	—	—	(4)	—	—	—	(6)	(1)	—	—	(4)
Net earnings (loss)	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)
Capital and Risk Solutions Totals											
Base earnings	150	145	124	156	137	119	157	86	295	256	536
Items excluded from base earnings											
Actuarial assumption changes and other management actions	2	—	43	2	29	4	(40)	(11)	2	33	78
Market-related impacts on liabilities	—	—	—	9	21	(30)	—	—	—	(9)	—
Net earnings	152	145	167	167	187	93	117	75	297	280	614

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Currency Translation Rates

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
(C\$ / US\$)								
Balance sheet	1.24	1.26	1.27	1.33	1.36	1.40	1.30	1.32
Income and expenses	1.23	1.27	1.30	1.33	1.39	1.34	1.32	1.32
(C\$ / £)								
Balance sheet	1.71	1.73	1.74	1.72	1.68	1.74	1.72	1.63
Income and expenses	1.72	1.75	1.72	1.72	1.72	1.72	1.70	1.63
(C\$ / €)								
Balance sheet	1.47	1.47	1.55	1.56	1.52	1.55	1.46	1.44
Income and expenses	1.48	1.53	1.55	1.56	1.53	1.48	1.46	1.47

Financial Strength – Credit Ratings

Rating Agency	Measurement	Lifeco	Canada Life	Irish Life	GWL&A
A.M. Best Company	Financial Strength		A+		A+
DBRS Morningstar	Issuer Rating Financial Strength Senior Debt Subordinated Debt	A (high) A (high)	AA AA AA (low)		NR
Fitch Ratings	Insurer Financial Strength Senior Debt Subordinated Debt	A	AA A+	AA	AA
Moody's Investors Service	Insurance Financial Strength		Aa3		Aa3
S&P Global Ratings	Insurer Financial Strength Senior Debt Subordinated Debt	A+	AA AA-		AA

Lifeco Common Shares Outstanding

	Opening Common Shares	New Shares Issued		Normal Course Issuer Bid			Substantial Issuer Bid			Basic Shares Outstanding
		Private/ Public	Exercised Options	Shares Bought	Price	Cost	Shares Bought	Price	Cost	
Q2 2019	988,233,973	—	313,921	—	—	—	59,700,974	\$33.50	\$1,999,982,629	928,846,920
Q3 2019	928,846,920	—	38,480	—	—	—	—	—	—	928,885,400
Q4 2019	928,885,400	—	395,786	2,000,000	\$32.91	\$65,820,000	—	—	—	927,281,186
Q1 2020	927,281,186	—	398,720	—	—	—	—	—	—	927,679,906
Q2 2020	927,679,906	—	5,000	—	—	—	—	—	—	927,684,906
Q3 2020	927,684,906	—	41,800	—	—	—	—	—	—	927,726,706
Q4 2020	927,726,706	—	126,400	—	—	—	—	—	—	927,853,106
Q1 2021	927,853,106	—	576,540	—	—	—	—	—	—	928,429,646
Q2 2021	928,429,646	—	1,214,460	—	—	—	—	—	—	929,644,106
3 months ended June 30, 2021										
Average common shares outstanding - Basic										929,067,870
Potential exercise of outstanding stock options										1,608,286
Average common shares outstanding - Diluted										930,676,156

Lifeco Financial Ratio Highlights

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Share Price								
High	\$37.41	\$33.60	\$31.10	\$27.43	\$25.73	\$35.30	\$33.75	\$31.88
Low	\$33.57	\$29.20	\$26.01	\$23.28	\$19.86	\$19.16	\$30.13	\$27.59
Close	\$36.82	\$33.44	\$30.35	\$26.02	\$23.80	\$24.31	\$33.26	\$31.81
Earnings per share								
Net EPS	\$0.844	\$0.762	\$0.983	\$0.891	\$0.930	\$0.369	\$0.552	\$0.786
Base EPS	\$0.889	\$0.796	\$0.799	\$0.732	\$0.761	\$0.585	\$0.895	\$0.729
Dividends								
Common dividends declared / share		\$0.438	\$0.438	\$0.438	\$0.438	\$0.438	\$0.438	\$0.413
Common dividends paid / share	\$0.438	\$0.438	\$0.438	\$0.438	\$0.438	\$0.438	\$0.413	\$0.413
Paid dividend growth (<i>qtr / qtr</i>)	— %	— %	— %	— %	— %	6.1 %	— %	— %
Paid dividend growth (<i>yr / yr</i>)	— %	— %	6.1 %	6.1 %	6.1 %	6.1 %	6.2 %	6.2 %
Dividend payout ratio ⁽¹⁾	51.9 %	57.5 %	44.6 %	49.2 %	47.1 %	118.7 %	74.8 %	52.5 %
Dividend yield (annualized) ⁽²⁾	4.8 %	5.2 %	5.8 %	6.7 %	7.4 %	7.2 %	5.0 %	5.2 %
Ratios								
P/E ratio (<i>rolling 4 qtrs - net earnings</i>)	10.6x	9.4x	9.6x	9.5x	9.0x	11.1x	13.3x	12.0x
P/Book value ratio	1.6x	1.4x	1.3x	1.2x	1.1x	1.1x	1.5x	1.5x
ROE ⁽³⁾ (12 months trailing)	15.0 %	15.7 %	14.1 %	12.4 %	12.1 %	10.3 %	11.7 %	12.4 %
Share information								
Total shares outstanding (mm)	929.6	928.4	927.9	927.7	927.7	927.7	927.3	928.9
Majority shareholder beneficial ownership (mm)	657.6	657.6	657.6	657.6	657.6	657.6	657.6	657.6
Public float shares (mm)	272.0	270.8	270.3	270.1	270.1	270.1	269.7	271.3
Total market capitalization (mm)	\$34,228	\$31,046	\$28,160	\$24,139	\$22,079	\$22,552	\$30,841	\$29,548
Public float (mm)	\$10,015	\$9,056	\$8,203	\$7,029	\$6,428	\$6,566	\$8,970	\$8,630
Book value per share	\$23.70	\$23.36	\$22.97	\$22.57	\$21.98	\$22.34	\$21.53	\$21.02

⁽¹⁾ Common dividends paid per share / net earnings per common share (basic)

⁽²⁾ Common dividends paid per share * 4 / quarterly closing share price

⁽³⁾ Return on common shareholder equity

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

The Canada Life Assurance Company - LICAT

(C\$MM unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Available Capital:								
Tier 1 Capital								
Common shares	7,884	7,884	7,884	7,884	7,884	7,884	8,884	8,882
Shareholder Surplus	12,981	12,452	12,218	12,132	12,168	11,655	11,824	11,499
Other Tier 1	3,127	2,947	3,048	2,985	2,757	3,481	2,747	2,374
Less: Goodwill & Intangibles	(8,384)	(8,421)	(8,453)	(8,368)	(8,313)	(8,314)	(8,176)	(8,080)
Less: Other Deductions	(3,190)	(3,112)	(3,104)	(3,233)	(3,166)	(3,223)	(3,327)	(3,072)
Total Tier 1 Capital	12,418	11,750	11,593	11,400	11,330	11,483	11,952	11,603
Tier 2 Capital	4,205	4,174	4,568	4,787	4,709	4,340	3,637	3,466
Available Capital	16,623	15,924	16,161	16,187	16,039	15,823	15,589	15,069
Surplus Allowance and Eligible Deposits	13,563	13,378	14,226	13,788	13,341	12,942	12,625	11,927
Total Capital Resources	30,186	29,302	30,387	29,975	29,380	28,765	28,214	26,996
Base Solvency Buffers								
Non-Participating Business:								
Credit Risk	2,948	2,961	3,012	2,867	2,819	2,732	2,692	2,649
Market Risk	2,875	2,900	2,735	2,651	2,581	2,574	2,306	2,227
Insurance Risk, Net of Adjustable Credits	13,603	13,649	13,790	13,484	13,273	12,911	12,691	11,262
	19,426	19,510	19,537	19,002	18,673	18,217	17,689	16,138
Participating Business Total Risk	4,344	3,994	3,689	3,350	3,183	2,909	2,933	2,983
Less: Diversification & Other Credits	(4,131)	(4,097)	(4,093)	(3,960)	(3,889)	(3,742)	(3,592)	(3,370)
Segregated Fund Guarantee Risk	482	650	694	738	720	735	359	321
Operational Risk	2,744	2,713	2,656	2,587	2,547	2,522	2,526	2,374
Solvency Buffers prior to OSFI scalar	22,865	22,770	22,483	21,717	21,234	20,641	19,915	18,446
Base Solvency Buffer (includes OSFI scalar of 1.05)	24,008	23,909	23,607	22,803	22,296	21,673	20,911	19,368
LICAT Ratios:								
Total Ratio ⁽¹⁾ (OSFI Supervisory Target = 100%)	126%	123%	129%	131%	132%	133%	135%	139%
Core Ratio ⁽²⁾ (OSFI Supervisory Target = 70%)	91%	88%	91%	92%	93%	95%	99%	103%

⁽¹⁾ Total Ratio = Total Capital Resources / Base Solvency Buffer (after 1.05 Scalar)⁽²⁾ Core Ratio = [Total Tier 1 Capital + 70% (Surplus Allowance and Eligible Deposits)] / Base Solvency Buffer (after 1.05 Scalar)

GWL&A Risk-Based Capital

	<u>2020</u>	<u>2019</u>
	Q4	Q4
Risk-Based Capital (RBC) - (US\$)		
GWL&A		
Total Adjusted Capital	2,382	1,654
Company Action Level	492	250
Ratio	484 %	662 %

Note: The RBC ratio is included for information only and it is not intended as a means to rank insurers generally or for any other purpose.

Q2 2021 Quarterly Information Package

Lifeco Capital Structure

(CSMM)

	2021		2020					2021		2020			
	Q2	Q1	Q4	Q3	Q2	Q1		Q2	Q1	Q4	Q3	Q2	Q1
LIABILITIES													
Short-term													
Commercial paper and other short-term debt instruments, unsecured	123	125	125	132	135	139							
Putnam revolving credit facility	19	101	210	33	159	281							
Great-West Lifeco U.S. LLC revolving credit facility ⁽¹⁾	620	630	635	—	—	—							
Total short-term	762	856	970	165	294	420							
Long-term													
Lifeco													
4.65% Debentures due August 13, 2020, unsecured, repaid during the year	—	—	—	—	500	500							
6.74% Debentures due November 24, 2031, unsecured	195	195	195	194	194	194							
6.67% Debentures due March 21, 2033, unsecured	394	394	394	394	394	394							
5.998% Debentures due November 16, 2039, unsecured	342	342	342	342	342	342							
3.337% Debentures due February 28, 2028, unsecured	498	498	498	498	498	498							
2.981% Debentures due July 8, 2050, unsecured	493	493	493	494	—	—							
2.50% Debentures due April 18, 2023, unsecured, (500 euro)	734	734	774	779	758	773							
2.379% Debentures due May 14, 2030, unsecured	597	597	597	597	597	—							
1.75% Debentures due December 7, 2026, unsecured, (500 euro)	731	731	771	776	755	770							
Canada Life													
6.40% Subordinated debentures due December 11, 2028, unsecured	100	100	100	100	100	100							
Great-West Lifeco Finance 2018, LP													
4.581% Senior notes due May 17, 2048, unsecured, (U.S. \$500)	614	624	628	658	673	693							
4.047% Senior notes due May 17, 2028, unsecured, (U.S. \$300)	370	376	379	397	406	418							
Great-West Lifeco Finance (Delaware) LP													
4.15% Senior notes due June 3, 2047, unsecured, (U.S. \$700)	853	867	874	915	933	961							
Great-West Lifeco U.S. Finance 2020, LP													
0.904% Senior notes due August 12, 2025, unsecured, (U.S. \$500)	617	626	631	661	—	—							
Empower Finance 2020, LP													
3.075% Senior notes due September 17, 2051, unsecured, (U.S. \$700)	858	872	879	921	—	—							
1.776% Senior notes due March 17, 2031, unsecured, (U.S. \$400)	493	501	505	529	—	—							
1.357% Senior notes due September 17, 2027, unsecured, (U.S. \$400)	494	501	505	530	—	—							
Total Debt and Other Loans	9,145	9,307	9,535	8,950	6,444	6,063							
Canada Life Capital Trust (CLCT)													
7.529% due June 30, 2052, unsecured, face value	150	150	150	150	150	150							
Acquisition related FMV adjustment	8	8	8	8	8	8							
	158	158	158	158	158	158							
Trust securities held by consolidated group	(37)	(37)	(37)	(37)	(37)	(37)							
Capital Trust Securities (externally held)	121	121	121	121	121	121							
EQUITY													
Non-Controlling Interests													
Non-controlling interest in capital stock & surplus	136	112	116	119	152	151							
Undistributed Participating Account Surplus													
Canada Life	3,062	2,856	2,858	2,858	2,836	2,833							
GWL&A	13	12	13	14	14	15							
	3,075	2,868	2,871	2,872	2,850	2,848							
Total Non-Controlling Interest	3,211	2,980	2,987	2,991	3,002	2,999							
Lifeco													
Series F 5.90% Non-Cumulative Preferreds	194	194	194	194	194	194							
Series G 5.20% Non-Cumulative Preferreds	300	300	300	300	300	300							
Series H 4.85% Non-Cumulative Preferreds	300	300	300	300	300	300							
Series I 4.50% Non-Cumulative Preferreds	300	300	300	300	300	300							
Series L 5.65% Non-Cumulative Preferreds	170	170	170	170	170	170							
Series M 5.80% Non-Cumulative Preferreds	150	150	150	150	150	150							
Series N 1.749% Non-Cumulative Rate Reset Preferreds ⁽²⁾	250	250	250	213	213	213							
Series O Non-Cumulative Floating Rate Preferreds ⁽³⁾	—	—	—	37	37	37							
Series P 5.40% Non-Cumulative Preferreds	250	250	250	250	250	250							
Series Q 5.15% Non-Cumulative Preferreds	200	200	200	200	200	200							
Series R 4.80% Non-Cumulative Preferreds	200	200	200	200	200	200							
Series S 5.25% Non-Cumulative Preferreds	200	200	200	200	200	200							
Series T 5.15% Non-Cumulative Preferreds	200	200	200	200	200	200							
	2,714	2,714	2,714	2,714	2,714	2,714							
Common Stock	5,713	5,669	5,651	5,647	5,646	5,646							
Accumulated & Contributed Surplus	15,839	15,466	15,176	14,660	14,205	13,740							
Accumulated Other Comprehensive Income	479	556	487	636	542	1,342							
Total Equity Capital	27,956	27,385	27,015	26,648	26,109	26,441							

⁽¹⁾ On July 2, 2021, the Company made a payment of U.S. \$400 on its committed line of credit related to GWL&A's acquisition of the retirement services business from MassMutual on December 31, 2020.

⁽²⁾ Fixed dividend rate per annum until December 30, 2025, at which time the dividend becomes equal to the five year Government of Canada yield plus 1.30% for the subsequent five year period. The fixed dividend rate had been 2.176% per annum for the five year period beginning December 31, 2015 and ending December 30, 2020.

⁽³⁾ Floating dividend rate which is reset quarterly to the three month Government of Canada Treasury Bill yield plus 1.30%. On December 31, 2020, all outstanding Series O Shares were automatically converted into Series N Shares on a one-for-one basis. Please refer to the "Lifeco Capital Structure" section of the annual 2020 Lifeco Management's Discussion and Analysis for additional details on the conversion.

Lifeco Statements of Net Earnings

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums ⁽¹⁾	11,751	13,152	11,747	9,976	10,390	10,906	9,478	9,324	24,903	21,296	43,019
Regular net investment income	1,611	1,556	1,560	1,493	1,596	1,314	1,462	1,452	3,167	2,910	5,963
Changes in fair value through profit or loss	2,793	(5,551)	1,984	785	6,318	(3,388)	(1,766)	2,102	(2,758)	2,930	5,699
Total net investment income (loss)	4,404	(3,995)	3,544	2,278	7,914	(2,074)	(304)	3,554	409	5,840	11,662
Fee and other income	1,800	1,751	1,569	1,486	1,406	1,441	1,515	1,496	3,551	2,847	5,902
Total Income	17,955	10,908	16,860	13,740	19,710	10,273	10,689	14,374	28,863	29,983	60,583
Benefits and expenses											
Total paid or credited to policyholders ⁽¹⁾	14,321	7,586	13,555	10,668	16,559	7,705	7,769	11,440	21,907	24,264	48,487
Commissions	655	661	657	549	565	625	650	571	1,316	1,190	2,396
Operating and administrative expenses ⁽²⁾	1,559	1,533	1,498	1,365	1,294	1,335	1,298	1,258	3,092	2,629	5,492
Premium taxes	121	123	124	119	121	116	128	123	244	237	480
Financing charges	77	79	79	71	69	65	71	70	156	134	284
Amortization of finite life intangible assets	86	79	63	58	61	56	60	57	165	117	238
Restructuring and integration expenses	21	16	134	—	—	—	52	—	37	—	134
Total benefits and expenses	16,840	10,077	16,110	12,830	18,669	9,902	10,028	13,519	26,917	28,571	57,511
Earnings before income taxes	1,115	831	750	910	1,041	371	661	855	1,946	1,412	3,072
Income taxes - Current	(163)	96	131	87	10	43	16	26	(67)	53	271
- Deferred	269	(39)	(314)	(68)	85	(56)	127	21	230	29	(353)
Net earnings before non-controlling interests	1,009	774	933	891	946	384	518	808	1,783	1,330	3,154
Non-controlling interests	192	34	(12)	32	49	9	(28)	45	226	58	78
Net earnings	817	740	945	859	897	375	546	763	1,557	1,272	3,076
Preferred share dividends	33	33	33	33	34	33	33	33	66	67	133
Net earnings - common shareholders	784	707	912	826	863	342	513	730	1,491	1,205	2,943
Earnings per common share											
Basic	\$ 0.844	\$ 0.762	\$ 0.983	\$ 0.891	\$ 0.930	\$ 0.369	\$ 0.552	\$ 0.786	\$ 1.605	\$ 1.299	\$ 3.173
Diluted	\$ 0.842	\$ 0.761	\$ 0.983	\$ 0.891	\$ 0.930	\$ 0.369	\$ 0.552	\$ 0.785	\$ 1.604	\$ 1.299	\$ 3.172
Average number of shares outstanding (MM) - basic	929.1	928.1	927.8	927.7	927.7	927.5	928.9	928.9	928.6	927.6	927.7
Average number of shares outstanding (MM) - diluted	930.7	928.6	928.0	927.8	927.7	928.0	929.6	929.2	929.5	927.7	927.8
Effective tax rate	9.5%	6.9%	-24.4%	2.1%	9.1%	-3.5%	21.6%	5.5%	8.4%	5.6%	-2.7%

⁽¹⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

⁽²⁾ Includes pre-tax transaction costs related to the Personal Capital and MassMutual acquisitions of \$25m in Q2 2021, \$2m in Q1 2021, \$59m in Q4 2020 and \$36m in Q3 2020.

Q2 2021 Quarterly Information Package

Lifeco Balance Sheets

(C\$MM, unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	6,708	5,616	7,946	5,372	5,869	5,635	4,628	3,853
Government bonds	46,373	46,926	49,389	51,206	47,501	46,047	47,149	47,899
Corporate bonds	85,753	87,129	88,203	75,884	72,839	70,165	67,879	67,994
Total bonds ⁽¹⁾	132,126	134,055	137,592	127,090	120,340	116,212	115,028	115,893
Mortgage loans	28,364	27,615	27,803	25,369	25,159	25,069	24,268	24,141
Stocks	12,977	11,823	11,000	9,793	10,075	9,620	10,375	10,086
Investment properties	6,866	6,490	6,270	5,853	5,616	5,836	5,887	5,542
Loans to policyholders	8,203	8,417	8,387	8,899	9,068	9,186	8,601	8,717
Total invested assets	195,244	194,016	198,998	182,376	176,127	171,558	168,787	168,232
Funds held by ceding insurers	17,421	17,619	18,383	8,273	8,404	8,580	8,714	8,791
Reinsurance assets	20,114	20,252	22,121	22,335	22,221	21,025	20,707	21,195
Premiums in course of collection, accounts and interest receivable	6,196	6,132	6,102	6,134	5,756	6,154	5,881	5,321
Current income taxes	392	171	145	189	256	201	236	264
Derivative financial instruments	842	669	829	787	863	929	451	694
Owner occupied properties	734	735	741	741	752	753	727	733
Fixed assets	409	419	426	449	443	467	455	452
Other assets	4,075	3,940	3,347	3,211	3,230	3,343	3,110	3,051
Deferred tax assets	849	925	975	750	627	665	693	876
Goodwill	8,752	8,784	10,106	7,573	6,600	6,612	6,505	6,490
Intangible assets	5,469	5,521	4,285	3,976	3,998	4,039	3,879	3,875
Assets held for sale	—	—	—	—	—	—	—	876
Investments on account of segregated fund policyholders	343,679	333,576	334,032	236,943	228,719	212,577	231,022	222,604
Investments on account of segregated fund policyholders held for sale	—	—	—	—	—	—	—	3,172
Total assets	604,176	592,759	600,490	473,737	457,996	436,903	451,167	446,626
Liabilities								
Insurance contract liabilities	202,682	202,010	208,902	184,379	182,201	176,634	174,521	174,433
Investment contract liabilities	8,880	8,824	9,145	4,047	1,762	1,745	1,656	1,721
	211,562	210,834	218,047	188,426	183,963	178,379	176,177	176,154
Liabilities held for sale	—	—	—	—	—	—	—	876
Debentures and other debt instruments	9,303	9,465	9,693	9,108	6,602	6,221	5,993	6,316
Funds held under reinsurance contracts	1,575	1,552	1,648	1,602	1,499	1,399	1,433	1,410
Other liabilities	9,159	9,245	9,409	10,114	10,151	10,846	9,883	9,810
Deferred tax liabilities	942	702	646	896	953	1,040	1,116	1,127
Investment and insurance contracts on account of segregated fund policyholders	343,679	333,576	334,032	236,943	228,719	212,577	231,022	222,604
Investment and insurance contracts on account of segregated fund policyholders held for sale	—	—	—	—	—	—	—	3,172
Total liabilities	576,220	565,374	573,475	447,089	431,887	410,462	425,624	421,469
Equity								
Non-controlling interests	3,211	2,980	2,987	2,991	3,002	2,999	2,866	2,917
Share capital								
Preferred shares	2,714	2,714	2,714	2,714	2,714	2,714	2,714	2,714
Common shares	5,713	5,669	5,651	5,647	5,646	5,646	5,633	5,633
Accumulated surplus	15,660	15,290	14,990	14,485	14,045	13,591	13,660	13,578
Accumulated other comprehensive income	479	556	487	636	542	1,342	495	149
Contributed surplus	179	176	186	175	160	149	175	166
Total equity	27,956	27,385	27,015	26,648	26,109	26,441	25,543	25,157
Total liabilities and equity	604,176	592,759	600,490	473,737	457,996	436,903	451,167	446,626
Proprietary mutual funds and institutional assets	358,297	350,882	350,943	341,436	315,326	288,309	320,548	308,425
Other assets under administration	1,193,449	1,134,222	1,024,414	845,862	889,929	798,847	857,966	841,700
Total assets under administration	2,155,922	2,077,863	1,975,847	1,661,035	1,663,251	1,524,059	1,629,681	1,596,751

⁽¹⁾ Includes short-term bonds.

Q2 2021 Quarterly Information Package

Lifeco Supplemental Balance Sheet Information

(C\$MM, unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Bond Portfolio Quality								
Canada								
AAA	6,548	7,020	7,524	8,002	7,945	7,905	7,645	7,882
AA	12,013	12,318	12,976	12,904	12,898	12,251	12,007	11,230
A	18,243	18,089	18,839	18,536	18,470	17,777	17,635	18,417
BBB	12,168	12,002	12,149	11,849	11,358	10,397	9,943	10,058
BB or Lower	135	138	120	133	157	155	124	90
Total	49,107	49,567	51,608	51,424	50,828	48,485	47,354	47,677
U.S.								
AAA	4,698	4,919	5,464	5,075	5,428	5,751	5,629	5,784
AA	4,375	4,543	4,329	3,158	3,049	2,925	2,797	2,929
A	13,108	13,021	12,569	9,075	7,613	7,753	6,912	7,214
BBB	14,589	15,253	14,563	7,331	6,185	5,721	5,218	5,083
BB or Lower	787	837	856	409	368	295	230	360
Total	37,557	38,573	37,781	25,048	22,643	22,445	20,786	21,370
Europe								
AAA	4,388	4,567	4,773	4,709	4,629	4,855	4,425	4,478
AA	14,727	15,036	15,798	15,386	15,721	15,582	16,035	15,574
A	12,003	11,694	12,410	11,479	11,037	10,915	10,909	10,996
BBB	5,071	5,371	5,729	5,948	5,936	5,585	5,783	5,653
BB or Lower	197	172	172	171	159	124	152	120
Total	36,386	36,840	38,882	37,693	37,482	37,061	37,304	36,821
Capital and Risk Solutions								
AAA	1,415	1,301	1,255	1,082	989	918	804	890
AA	1,109	1,067	1,123	1,028	1,325	1,301	1,291	1,272
A	2,738	2,801	1,619	1,687	1,742	1,773	1,687	1,787
BBB	835	849	883	937	954	951	978	976
BB or Lower	28	34	39	49	49	18	12	14
Total	6,125	6,052	4,919	4,783	5,059	4,961	4,772	4,939
Total Bond Portfolio Quality								
AAA	17,049	17,807	19,016	18,868	18,991	19,429	18,503	19,034
AA	32,224	32,964	34,226	32,476	32,993	32,059	32,130	31,005
A	46,092	45,605	45,437	40,777	38,862	38,218	37,143	38,414
BBB	32,663	33,475	33,324	26,065	24,433	22,654	21,922	21,770
BB or Lower	1,147	1,181	1,187	762	733	592	518	584
Total ⁽¹⁾	129,175	131,032	133,190	118,948	116,012	112,952	110,216	110,807

⁽¹⁾ Excludes short term bonds.

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Bonds Unrealized Gain / Loss								
Unrealized Gains	8.8	8.1	12.9	12.3	12.1	8.2	8.6	10.4
Unrealized Losses	(0.6)	(1.2)	(0.1)	(0.3)	(0.3)	(1.3)	(0.2)	(0.2)
Net Gains / Losses	8.2	6.9	12.8	12.0	11.8	6.9	8.4	10.2
Segregated Fund Net Assets								
	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Stocks, mutual funds and units in unit trusts	256,521	247,075	240,252	159,550	153,254	139,141	160,109	152,228
Bonds	60,726	62,471	65,338	49,646	48,034	45,701	44,973	44,960
Mortgage loans	2,548	2,590	2,686	2,631	2,649	2,709	2,670	2,724
Investment properties	12,349	12,271	12,430	12,657	12,535	13,315	12,986	12,871
Cash & other	11,535	9,169	13,326	12,459	12,247	11,711	10,284	9,821
Total	343,679	333,576	334,032	236,943	228,719	212,577	231,022	222,604

Mortgage Loan Portfolio

	Non-Insured		Total
	Insured	Non-Insured	
Q2 2021			
Single-family residential	500	1,550	2,050
Multi-family residential	3,056	4,210	7,266
Equity Release	—	2,275	2,275
Commercial	227	16,546	16,773
Total Mortgage Loans	3,783	24,581	28,364
Q1 2021			
Single-family residential	513	1,522	2,035
Multi-family residential	3,211	4,104	7,315
Equity Release	—	2,034	2,034
Commercial	232	15,999	16,231
Total Mortgage Loans	3,956	23,659	27,615
Q4 2020			
Single-family residential	530	1,533	2,063
Multi-family residential	3,255	4,098	7,353
Equity Release	—	2,020	2,020
Commercial	236	16,131	16,367
Total Mortgage Loans	4,021	23,782	27,803
Q3 2020			
Single-family residential	537	1,552	2,089
Multi-family residential	3,354	3,475	6,829
Equity Release	—	1,805	1,805
Commercial	241	14,405	14,646
Total Mortgage Loans	4,132	21,237	25,369
Q2 2020			
Single-family residential	550	1,540	2,090
Multi-family residential	3,412	3,525	6,937
Equity Release	—	1,708	1,708
Commercial	245	14,179	14,424
Total Mortgage Loans	4,207	20,952	25,159
Q1 2020			
Single-family residential	564	1,512	2,076
Multi-family residential	3,455	3,622	7,077
Equity Release	—	1,433	1,433
Commercial	251	14,232	14,483
Total Mortgage Loans	4,270	20,799	25,069
Q4 2019			
Single-family residential	572	1,497	2,069
Multi-family residential	3,569	3,435	7,004
Equity Release	—	1,314	1,314
Commercial	267	13,614	13,881
Total Mortgage Loans	4,408	19,860	24,268
Q3 2019			
Single-family residential	583	1,491	2,074
Multi-family residential	3,711	3,468	7,179
Equity Release	—	1,160	1,160
Commercial	272	13,456	13,728
Total Mortgage Loans	4,566	19,575	24,141

Lifeco Impaired Loans and Credit Losses

(C\$MM)	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Gross Impaired Loans								
Fair value through profit or loss ⁽¹⁾	20	22	23	25	26	19	19	117
Available-for-sale	16	16	16	18	16	17	16	18
Loans and receivables	108	91	80	74	74	75	80	84
Total	144	129	119	117	116	111	115	219
Canada	77	—	1	—	1	—	—	1
US	27	29	30	33	33	35	35	134
Europe	40	100	88	84	82	76	80	84
Capital and Risk Solutions	—	—	—	—	—	—	—	—
Total	144	129	119	117	116	111	115	219
Impaired Investment Provisions								
Fair value through profit or loss ⁽¹⁾	3	3	3	3	2	(1)	(2)	(20)
Available-for-sale	(2)	(2)	(1)	—	—	1	—	(1)
Loans and receivables	34	56	57	49	48	49	51	50
Total	35	57	59	52	50	49	49	29
Canada	25	—	—	—	—	—	—	—
US	(3)	(3)	(2)	(2)	(2)	—	(2)	(20)
Europe	13	60	61	54	52	49	51	50
Capital and Risk Solutions	—	—	—	—	—	—	—	(1)
Total	35	57	59	52	50	49	49	29
Carrying Amount	109	72	60	65	66	62	66	190
Provisions for Future Credit								
Losses in Insurance Contract Liabilities	3,142	3,138	3,368	2,781	2,696	2,628	2,575	2,385

⁽¹⁾ Includes impaired amounts on certain funds held by ceding insurers.

Lifeco Cash Flow Statements

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Operations											
Earnings before income taxes	1,115	831	750	910	1,041	371	661	855	1,946	1,412	3,072
Income taxes paid, net of refunds received	(156)	(92)	(116)	(35)	(102)	(114)	(30)	(61)	(248)	(216)	(367)
Adjustments:											
Change in insurance and investment contract liabilities	2,466	(5,752)	4,145	4,377	8,617	(2,663)	(1,789)	3,032	(3,286)	5,954	14,476
Change in funds held by ceding insurers	8	388	(89)	228	165	163	278	195	396	328	467
Change in funds held under reinsurance contracts	39	(88)	32	108	116	(55)	(50)	55	(49)	61	201
Change in reinsurance assets	(112)	1,530	(550)	(346)	(1,799)	1,066	379	(481)	1,418	(733)	(1,629)
Changes in fair value through profit or loss	(2,793)	5,551	(1,984)	(785)	(6,318)	3,388	1,766	(2,102)	2,758	(2,930)	(5,699)
Other	495	(575)	(292)	(131)	(262)	(226)	76	(222)	(80)	(488)	(911)
Cash flow from operations ⁽¹⁾	1,062	1,793	1,896	4,326	1,458	1,930	1,291	1,271	2,855	3,388	9,610
Financing Activities											
Issue of common shares	44	18	4	1	—	13	13	1	62	13	18
Purchased and cancelled common shares	—	—	—	—	—	—	(66)	—	—	—	—
Issue of debentures and senior notes	—	—	—	3,116	597	—	—	—	—	597	3,713
Repayment of debentures	—	—	—	(500)	—	—	(232)	—	—	—	(500)
Increase (decrease) in credit line of subsidiary	(80)	(108)	817	(122)	(117)	(39)	145	(86)	(188)	(156)	539
Increase (decrease) in debentures and other debt instruments	—	—	—	—	—	(1)	(224)	101	—	(1)	(1)
Dividends paid on common shares	(408)	(406)	(407)	(406)	(406)	(407)	(384)	(384)	(814)	(813)	(1,626)
Dividends paid on preferred shares	(33)	(33)	(33)	(33)	(34)	(33)	(33)	(33)	(66)	(67)	(133)
Cash flow from financing activities	(477)	(529)	381	2,056	40	(467)	(781)	(401)	(1,006)	(427)	2,010
Investment Activities											
Bond sales and maturities	8,244	6,544	6,000	5,913	5,814	4,923	6,807	5,281	14,788	10,737	22,650
Mortgage loan repayments	745	866	820	493	489	537	908	463	1,611	1,026	2,339
Stock sales	687	1,317	602	1,276	1,021	960	714	703	2,004	1,981	3,859
Investment property sales	1	9	3	3	66	1	(3)	—	10	67	73
Change in loans to policyholders	128	(73)	254	36	(55)	(151)	33	245	55	(206)	84
Business acquisitions, net of cash and equivalents acquired	—	—	(343)	(1,017)	(14)	(29)	—	—	—	(43)	(1,403)
Sale of businesses, net of cash and cash equivalents in subsidiaries	—	—	173	108	—	—	—	—	—	—	281
Cash and cash equivalents related to transfer of business	—	—	—	—	—	—	(4)	—	—	—	—
Cash and cash equivalents classified as held for sale	—	—	—	—	—	—	(39)	9	—	—	—
Investment in bonds	(6,266)	(9,636)	(4,849)	(12,148)	(6,917)	(4,028)	(6,376)	(5,638)	(15,902)	(10,945)	(27,942)
Investment in mortgage loans	(1,617)	(909)	(959)	(654)	(753)	(1,011)	(813)	(999)	(2,526)	(1,764)	(3,377)
Investment in stocks	(1,102)	(1,469)	(911)	(732)	(742)	(1,900)	(800)	(724)	(2,571)	(2,642)	(4,285)
Investment in investment properties	(264)	(180)	(326)	(126)	(16)	(13)	(203)	(165)	(444)	(29)	(481)
Cash flow from investment activities	556	(3,531)	464	(6,848)	(1,107)	(711)	224	(825)	(2,975)	(1,818)	(8,202)
Effect of changes in exchange rates on cash and cash equivalents	(49)	(63)	(167)	(31)	(157)	255	41	(27)	(112)	98	(100)
Increase (decrease) in cash and cash equivalents	1,092	(2,330)	2,574	(497)	234	1,007	775	18	(1,238)	1,241	3,318
Cash and cash equivalents, beginning of period	5,616	7,946	5,372	5,869	5,635	4,628	3,853	3,835	7,946	4,628	4,628
Cash and cash equivalents, end of period	6,708	5,616	7,946	5,372	5,869	5,635	4,628	3,853	6,708	5,869	7,946

⁽¹⁾ Q3 2020 Cash flow from operations includes \$2.3 billion of deposits transferred from assets under administration to general fund assets in the U.S. segment.

Statements of Accumulated and Contributed Surplus**Lifeco Accumulated & Contributed Surplus**

(C\$MM)	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of year	15,176	15,176	13,835	13,835	13,835	13,835	13,481	13,481
Change in accounting policy	—	—	—	—	—	—	(109)	(109)
Revised balance, beginning of year	15,176	15,176	13,835	13,835	13,835	13,835	13,372	13,372
Net earnings - YTD	1,557	740	3,076	2,131	1,272	375	2,492	1,946
Stock option expense	36	20	54	43	32	21	37	28
Share issue / redemption ⁽¹⁾	(44)	(32)	(50)	(50)	(49)	(49)	(1,717)	(1,662)
Share capital carrying value adjustment ⁽²⁾	—	—	—	—	—	—	1,304	1,304
Dividends to shareholders								
Preferred shareholders	(66)	(33)	(133)	(100)	(67)	(33)	(133)	(100)
Common shareholders	(814)	(406)	(1,626)	(1,219)	(813)	(407)	(1,559)	(1,175)
Other	(6)	1	20	20	(5)	(2)	39	31
Balance, end of period	15,839	15,466	15,176	14,660	14,205	13,740	13,835	13,744

Lifeco Surplus - Participating Account

(C\$MM)	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of year	2,871	2,871	2,759	2,759	2,759	2,759	2,737	2,737
Net earnings before policyholder dividend - YTD	928	378	1,430	1,088	747	366	1,374	1,071
Participating policyholder dividend	(707)	(353)	(1,364)	(1,022)	(703)	(356)	(1,364)	(1,031)
Other	(17)	(28)	46	47	47	79	12	19
Balance, end of period	3,075	2,868	2,871	2,872	2,850	2,848	2,759	2,796
By Company:								
Canada Life	3,062	2,856	2,858	2,858	2,836	2,833	2,745	2,782
GWL&A	13	12	13	14	14	15	14	14
	3,075	2,868	2,871	2,872	2,850	2,848	2,759	2,796

⁽¹⁾ Q2 2019 included (\$1,628m) for excess of redemption proceeds over stated capital per Substantial Issuer Bid.

⁽²⁾ Q2 2019 included \$1,304m for common share carrying value adjustment per Substantial Issuer Bid.

Reconciliation of Accumulated Other Comprehensive Income

Comprehensive Income											
(CSMM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Net Earnings	817	740	945	859	897	375	546	763	1,557	1,272	3,076
Other comprehensive income (loss)											
net of income taxes											
Unrealized foreign exchange gains (losses)											
on translation of foreign operations (after-tax)	(185)	(347)	(280)	123	(523)	783	302	(183)	(532)	260	103
Unrealized gains (losses) on hedges of the net investment											
in foreign operations (after-tax)	(37)	69	8	(34)	26	(78)	(18)	43	32	(52)	(78)
Unrealized gains (losses) on available-for-sale assets (after-tax)	128	(161)	21	11	188	18	(75)	63	(33)	206	238
Realized (gains) losses on available-for-sale assets (after-tax)	—	(8)	(13)	(9)	(69)	(35)	(22)	(16)	(8)	(104)	(126)
Unrealized gains (losses) on cash flow hedges (after-tax)	18	14	8	16	(2)	4	(1)	1	32	2	26
Realized (gains) losses on cash flow hedges (after-tax)	(11)	(8)	(7)	(9)	1	—	—	—	(19)	1	(15)
Non-controlling interests (after-tax)	(12)	77	—	11	—	(59)	20	3	65	(59)	(48)
Total Items that may be reclassified	(99)	(364)	(263)	109	(379)	633	206	(89)	(463)	254	100
Items that will not be reclassified to											
Consolidated Statement of Earnings											
Re-measurements on defined benefit pension											
and other post-employment benefit plans (after-tax)	26	473	122	(24)	(470)	243	152	(100)	499	(227)	(129)
Revaluation surplus on transfer to investment properties	—	—	—	10	—	—	—	—	—	—	10
Non-controlling interests (after-tax)	(4)	(40)	(8)	(1)	49	(29)	(12)	1	(44)	20	11
	22	433	114	(15)	(421)	214	140	(99)	455	(207)	(108)
Total other comprehensive income (loss)	(77)	69	(149)	94	(800)	847	346	(188)	(8)	47	(8)
Comprehensive income	740	809	796	953	97	1,222	892	575	1,549	1,319	3,068

Accumulated Other Comprehensive Income (loss), Net of Income Taxes

(CSMM)	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of year	487	487	495	495	495	495	1,045	1,045
Other comprehensive income (loss)	(8)	69	(8)	141	47	847	(550)	(896)
Balance, end of period	479	556	487	636	542	1,342	495	149

Lifeco Sales

<i>(C\$MM)</i>	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Canada											
Individual Customer	2,648	3,352	2,934	1,928	1,777	2,902	2,718	2,020	6,000	4,679	9,541
Group Customer	697	1,381	795	592	613	730	891	1,500	2,078	1,343	2,730
Total Canada	3,345	4,733	3,729	2,520	2,390	3,632	3,609	3,520	8,078	6,022	12,271
U.S.											
Financial Services ⁽¹⁾	23,921	82,844	10,596	9,621	7,222	33,581	15,798	16,885	106,765	40,803	61,020
Asset Management	12,447	16,095	16,843	18,366	21,005	19,650	15,983	14,360	28,542	40,655	75,864
Total U.S.	36,368	98,939	27,439	27,987	28,227	53,231	31,781	31,245	135,307	81,458	136,884
Europe											
U.K.	1,591	1,092	1,469	672	1,059	1,102	1,027	1,238	2,683	2,161	4,302
Ireland	4,239	6,031	5,270	4,561	6,001	8,480	5,393	5,784	10,270	14,481	24,312
Germany	96	103	135	80	81	86	146	76	199	167	382
Total Europe	5,926	7,226	6,874	5,313	7,141	9,668	6,566	7,098	13,152	16,809	28,996
Total	45,639	110,898	38,042	35,820	37,758	66,531	41,956	41,863	156,537	104,289	178,151

⁽¹⁾ Q3 2020 includes Personal Capital for the period from the acquisition date of August 17, 2020 to September 30, 2020.

Lifeco Premiums & Deposits

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Premiums & Deposits											
Canada											
Individual Customer	2,747	2,977	3,049	2,503	2,290	2,784	3,110	2,490	5,724	5,074	10,626
Group Customer	4,072	4,698	3,968	3,658	3,370	4,216	4,119	4,563	8,770	7,586	15,212
Total Canada	6,819	7,675	7,017	6,161	5,660	7,000	7,229	7,053	14,494	12,660	25,838
U.S.											
Financial Services ⁽¹⁾	4,760	5,393	3,739	5,772	3,343	4,761	3,497	3,310	10,153	8,104	17,615
Asset Management	12,447	16,095	16,843	18,366	21,005	19,650	15,983	14,360	28,542	40,655	75,864
Total U.S.	17,207	21,488	20,582	24,138	24,348	24,411	19,480	17,670	38,695	48,759	93,479
Europe											
U.K.	1,331	1,031	1,361	677	1,125	1,028	957	1,127	2,362	2,153	4,191
Ireland	4,845	7,078	6,160	5,136	6,728	9,142	6,602	6,157	11,923	15,870	27,166
Germany	320	325	374	301	297	290	366	305	645	587	1,262
Par	—	—	1	—	1	—	—	1	—	1	2
Total Europe	6,496	8,434	7,896	6,114	8,151	10,460	7,925	7,590	14,930	18,611	32,621
Capital and Risk Solutions											
Reinsurance	6,278	7,462	5,330	4,484	4,970	4,601	4,455	4,098	13,740	9,571	19,385
Par	4	4	6	6	5	5	7	6	8	10	22
Total Capital and Risk Solutions	6,282	7,466	5,336	4,490	4,975	4,606	4,462	4,104	13,748	9,581	19,407
Total Revenue Premium ⁽¹⁾	36,804	45,063	40,831	40,903	43,134	46,477	39,096	36,417	81,867	89,611	171,345
Summary											
Risk-based premiums ⁽¹⁾	11,751	13,152	11,747	9,976	10,390	10,906	9,478	9,324	24,903	21,296	43,019
ASO contracts and other	2,021	1,703	1,687	3,104	520	812	841	813	3,724	1,332	6,123
Segregated fund deposits											
Individual	3,956	4,152	3,962	3,578	3,156	4,338	5,446	4,146	8,108	7,494	15,034
Group	2,678	3,801	1,679	1,538	1,597	2,068	1,913	1,999	6,479	3,665	6,882
Proprietary mutual funds & institutional deposits	16,398	22,255	21,756	22,707	27,471	28,353	21,418	20,135	38,653	55,824	100,287
Total Revenue Premium ⁽¹⁾	36,804	45,063	40,831	40,903	43,134	46,477	39,096	36,417	81,867	89,611	171,345

⁽¹⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

Lifeco Fee and Other Income

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Fee and Other Income											
Canada											
Segregated funds	342	325	315	311	291	304	270	270	667	595	1,221
ASO contracts	52	53	54	48	36	50	53	51	105	86	188
Other	98	91	92	86	83	86	134	126	189	169	347
Total Canada	492	469	461	445	410	440	457	447	961	850	1,756
U.S.											
Segregated funds	71	38	11	11	10	12	12	12	109	22	44
Asset Management	300	300	326	301	284	291	303	296	600	575	1,202
Other ⁽¹⁾	589	589	417	384	360	362	364	357	1,178	722	1,523
Total U.S.	960	927	754	696	654	665	679	665	1,887	1,319	2,769
Europe											
Segregated funds & Other	346	353	351	342	340	333	377	382	699	673	1,366
Total Europe	346	353	351	342	340	333	377	382	699	673	1,366
Capital and Risk Solutions											
Reinsurance & Other	2	2	3	3	2	3	2	2	4	5	11
Total Capital and Risk Solutions	2	2	3	3	2	3	2	2	4	5	11
Total Fee and Other Income	1,800	1,751	1,569	1,486	1,406	1,441	1,515	1,496	3,551	2,847	5,902

⁽¹⁾ Q3 2020 includes Personal Capital from the acquisition date of August 17, 2020 to September 30, 2020.

Lifeco Expense Summary

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expenses											
Canada	469	461	471	431	411	453	451	417	930	864	1,766
U.S. ⁽¹⁾	738	747	706	627	569	572	543	555	1,485	1,141	2,474
Europe	302	295	285	275	283	283	276	262	597	566	1,126
Capital and Risk Solutions	25	25	25	25	24	23	22	21	50	47	97
Lifeco Corporate	25	5	11	7	7	4	6	3	30	11	29
Total Operating Expenses	1,559	1,533	1,498	1,365	1,294	1,335	1,298	1,258	3,092	2,629	5,492
Investment Expenses	49	41	34	32	42	43	43	46	90	85	151
Total Expenses	1,608	1,574	1,532	1,397	1,336	1,378	1,341	1,304	3,182	2,714	5,643

⁽¹⁾ Includes pre-tax transaction costs related to the acquisitions of Personal Capital and MassMutual's retirement services business of \$25m in Q2 2021, \$2m in Q1 2021, \$59m in Q4 2020 and \$36m in Q3 2020.

Canada



Lifeco Canada Net Earnings – Consolidated

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	3,290	3,196	3,628	3,230	3,083	3,247	3,587	3,606	6,486	6,330	13,188
Regular net investment income	703	713	913	714	807	616	680	732	1,416	1,423	3,050
Changes in fair value through profit or loss	1,518	(2,248)	1,063	486	3,290	(2,206)	(445)	366	(730)	1,084	2,633
Total net investment income	2,221	(1,535)	1,976	1,200	4,097	(1,590)	235	1,098	686	2,507	5,683
Fee and other income	492	469	461	445	410	440	457	447	961	850	1,756
Total Income	6,003	2,130	6,065	4,875	7,590	2,097	4,279	5,151	8,133	9,687	20,627
Benefits and expenses											
Total paid or credited to policyholders	4,489	805	4,675	3,694	6,251	952	3,111	3,867	5,294	7,203	15,572
Commissions	374	370	388	321	336	370	390	341	744	706	1,415
General expenses	469	461	471	431	411	453	451	417	930	864	1,766
Restructuring and integration expenses	—	—	92	—	—	—	—	—	—	—	92
Other	157	147	154	150	144	147	156	148	304	291	595
Total benefits and expenses	5,489	1,783	5,780	4,596	7,142	1,922	4,108	4,773	7,272	9,064	19,440
Earnings before income taxes	514	347	285	279	448	175	171	378	861	623	1,187
Income taxes	30	33	(21)	(7)	65	17	12	31	63	82	54
Net earnings before non-controlling interests	484	314	306	286	383	158	159	347	798	541	1,133
Non-controlling interests	195	26	9	23	33	11	(30)	47	221	44	76
Net earnings	289	288	297	263	350	147	189	300	577	497	1,057
Preferred share dividends	28	29	29	28	29	28	29	28	57	57	114
Net earnings before capital allocation	261	259	268	235	321	119	160	272	520	440	943
Capital allocation	27	28	32	31	32	32	28	28	55	64	127
Net earnings - common shareholders	288	287	300	266	353	151	188	300	575	504	1,070
Common Shareholder Net Earnings (loss)											
Individual Customer	157	126	(9)	119	195	12	87	85	283	207	317
Group Customer	189	155	189	134	197	147	114	206	344	344	667
Corporate	(58)	6	120	13	(39)	(8)	(13)	9	(52)	(47)	86
Total	288	287	300	266	353	151	188	300	575	504	1,070

Lifeco Canada – Individual Customer

<i>(CSMM)</i>		2021		2020				2019		YTD	YTD	Fiscal
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income												
	Total net premiums	362	380	381	417	356	394	381	375	742	750	1,548
	Total net investment income	738	(1,460)	430	203	1,840	(626)	(170)	377	(722)	1,214	1,847
	Fee and other income	284	266	251	251	233	246	258	252	550	479	981
	Total income	1,384	(814)	1,062	871	2,429	14	469	1,004	570	2,443	4,376
Benefits and expenses												
	Total paid or credited to policyholders	945	(1,274)	794	486	1,915	(266)	94	659	(329)	1,649	2,929
	Commissions	150	145	145	127	127	136	139	132	295	263	535
	General expenses	135	139	131	114	119	130	120	109	274	249	494
	Other	13	16	13	20	27	14	18	14	29	41	74
	Total benefits and expenses	1,243	(974)	1,083	747	2,188	14	371	914	269	2,202	4,032
	Earnings before income taxes	141	160	(21)	124	241	—	98	90	301	241	344
	Income taxes	(17)	33	(13)	4	45	(13)	7	2	16	32	23
	Net earnings (loss) before capital allocation	158	127	(8)	120	196	13	91	88	285	209	321
	Capital Allocation	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(3)	(2)	(2)	(4)
	Net earnings (loss) - common shareholders	157	126	(9)	119	195	12	87	85	283	207	317
Sales	Participating	72	80	85	52	69	89	90	68	152	158	295
	Universal Life	6	7	8	6	9	9	16	12	13	18	32
	Term/Permanent	13	14	15	11	12	12	12	12	27	24	50
	Third party	—	—	—	—	—	—	—	1	—	—	—
	Total Individual Life	91	101	108	69	90	110	118	93	192	200	377
	Critical Illness	5	5	5	5	6	5	6	5	10	11	21
	Disability	3	3	3	2	2	3	4	4	6	5	10
	Total Living Benefits	8	8	8	7	8	8	10	9	16	16	31
	Total Individual Insurance	99	109	116	76	98	118	128	102	208	216	408
	Risk-based	66	94	101	138	87	132	123	116	160	219	458
	Segregated funds	1,180	1,459	1,374	847	688	1,392	1,450	932	2,639	2,080	4,301
	Proprietary mutual funds	400	522	491	303	324	445	364	321	922	769	1,563
	Third party	903	1,168	852	564	580	815	653	549	2,071	1,395	2,811
Total Individual Wealth	2,549	3,243	2,818	1,852	1,679	2,784	2,590	1,918	5,792	4,463	9,133	
Total Individual Customer Sales	2,648	3,352	2,934	1,928	1,777	2,902	2,718	2,020	6,000	4,679	9,541	
Revenue Premium	Risk Based Premiums											
	Participating	1,217	1,137	1,499	1,158	1,158	1,124	1,428	1,128	2,354	2,282	4,939
	Individual Life	227	251	240	245	226	247	249	244	478	473	958
	Living Benefits	93	91	92	90	91	89	89	87	184	180	362
	Total Individual Insurance	1,537	1,479	1,831	1,493	1,475	1,460	1,766	1,459	3,016	2,935	6,259
	Risk-based revenue premiums	42	38	49	82	39	58	43	44	80	97	228
	Segregated funds deposits	836	1,033	780	618	518	904	1,021	716	1,869	1,422	2,820
	Proprietary mutual fund deposits	332	427	389	310	258	362	280	271	759	620	1,319
Total Individual Wealth	1,210	1,498	1,218	1,010	815	1,324	1,344	1,031	2,708	2,139	4,367	
Total Individual Customer Revenue Premium	2,747	2,977	3,049	2,503	2,290	2,784	3,110	2,490	5,724	5,074	10,626	

Lifeco Canada – Group Customer

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
<i>(CSMM)</i>											
Income											
Total net premiums	1,711	1,679	1,748	1,655	1,569	1,729	1,778	2,103	3,390	3,298	6,701
Total net investment income	289	(316)	214	181	439	61	86	159	(27)	500	895
Fee and other income	192	188	195	179	163	179	184	179	380	342	716
Total income	2,192	1,551	2,157	2,015	2,171	1,969	2,048	2,441	3,743	4,140	8,312
Benefits and expenses											
Total paid or credited to policyholders	1,594	944	1,502	1,458	1,618	1,373	1,504	1,802	2,538	2,991	5,951
Commissions	96	103	99	96	96	104	100	95	199	200	395
General expenses	235	233	238	226	208	230	225	205	468	438	902
Other	62	61	62	59	60	62	61	61	123	122	243
Total benefits and expenses	1,987	1,341	1,901	1,839	1,982	1,769	1,890	2,163	3,328	3,751	7,491
Earnings before income taxes	205	210	256	176	189	200	158	278	415	389	821
Income taxes	15	54	66	41	(9)	53	42	69	69	44	151
Net earnings before capital allocation	190	156	190	135	198	147	116	209	346	345	670
Capital allocation	(1)	(1)	(1)	(1)	(1)	—	(2)	(3)	(2)	(1)	(3)
Net earnings - common shareholders	189	155	189	134	197	147	114	206	344	344	667
Sales											
Small/mid-size case	78	54	57	52	53	82	75	75	132	135	244
Large case	12	219	43	41	20	35	30	150	231	55	139
Creditor/Direct marketing	11	3	11	16	2	2	(3)	12	14	4	31
Total Group Insurance	101	276	111	109	75	119	102	237	377	194	414
Risk-based	50	62	118	40	68	74	128	467	112	142	300
Segregated funds	546	1,043	566	443	470	537	661	796	1,589	1,007	2,016
Total Group Wealth	596	1,105	684	483	538	611	789	1,263	1,701	1,149	2,316
Total Group Customer Sales	697	1,381	795	592	613	730	891	1,500	2,078	1,343	2,730
Revenue Premium											
Small/mid-size case - Insured	708	706	706	709	644	733	735	725	1,414	1,377	2,792
Large case -Insured	856	832	818	798	763	804	811	799	1,688	1,567	3,183
ASO	876	859	846	786	520	812	841	813	1,735	1,332	2,964
Creditor/Direct marketing	34	35	36	36	36	37	42	48	69	73	145
Total Group Insurance	2,474	2,432	2,406	2,329	1,963	2,386	2,429	2,385	4,906	4,349	9,084
Risk-based revenue premiums	113	106	188	112	126	155	190	531	219	281	581
Segregated funds deposits	1,485	2,160	1,374	1,217	1,281	1,675	1,500	1,647	3,645	2,956	5,547
Total Group Wealth	1,598	2,266	1,562	1,329	1,407	1,830	1,690	2,178	3,864	3,237	6,128
Total Group Customer Revenue Premium	4,072	4,698	3,968	3,658	3,370	4,216	4,119	4,563	8,770	7,586	15,212

Canada Wealth – Assets Under Administration

(C\$MM)	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets Under Administration								
Individual Customer								
Risk-based products	4,715	4,738	4,899	4,915	4,918	4,764	4,920	5,042
Segregated funds	36,912	34,842	33,866	32,311	31,581	29,356	32,915	32,622
Proprietary mutual funds	5,852	6,437	7,311	6,800	6,606	6,008	6,803	6,673
Group Customer								
Risk-based products	8,145	8,093	8,693	8,655	8,705	8,612	8,532	8,574
Segregated funds	60,041	57,620	56,814	53,574	51,914	47,255	52,697	51,170
Institutional Assets ⁽¹⁾	—	—	—	179	179	176	183	180
Total assets under management	115,665	111,730	111,583	106,434	103,903	96,171	106,050	104,261
Other assets under administration ⁽²⁾								
Individual Customer	13,125	12,259	11,597	10,765	10,202	9,041	9,996	9,652
Group Customer	585	534	481	410	370	357	472	468
Total	13,710	12,793	12,078	11,175	10,572	9,398	10,468	10,120
Summary by Business/Product								
Individual Customer	60,604	58,276	57,673	54,791	53,307	49,169	54,634	53,989
Group Customer	68,771	66,247	65,988	62,818	61,168	56,400	61,884	60,392
Total assets under administration	129,375	124,523	123,661	117,609	114,475	105,569	116,518	114,381

⁽¹⁾ As a result of the sale of GLC in Q4 2020, there are no institutional assets included as part of total assets under management.

⁽²⁾ Includes mutual funds distributed by Quadrus Investment Services and stock purchase plans administered by Canada Life. Prior to the sale of GLC in Q4 2020, the stock purchase plans were managed by GLC.

Lifeco Canada – Participating Account ⁽¹⁾

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Net premium income	1,217	1,137	1,499	1,158	1,158	1,124	1,428	1,128	2,354	2,282	4,939
Total net investment income	1,137	213	1,132	794	1,811	(1,054)	297	532	1,350	757	2,683
Total income	2,354	1,350	2,631	1,952	2,969	70	1,725	1,660	3,704	3,039	7,622
Benefits and expenses											
Total paid or credited to policyholders	1,946	1,131	2,375	1,746	2,714	(159)	1,508	1,401	3,077	2,555	6,676
Commissions	128	122	144	98	113	130	151	114	250	243	485
General expenses	76	68	73	77	69	72	86	77	144	141	291
Restructuring and integration expenses	—	—	24	—	—	—	—	—	—	—	24
Other	15	24	30	32	35	27	37	29	39	62	124
Total benefits and expenses	2,165	1,345	2,646	1,953	2,931	70	1,782	1,621	3,510	3,001	7,600
Earnings (loss) before income taxes	189	5	(15)	(1)	38	—	(57)	39	194	38	22
Income taxes	(6)	(21)	(24)	(24)	5	(11)	(27)	(8)	(27)	(6)	(54)
Net earnings (loss) before non-controlling interests	195	26	9	23	33	11	(30)	47	221	44	76
Non-controlling interests	195	26	9	23	33	11	(30)	47	221	44	76
Net earnings	—	—	—	—	—	—	—	—	—	—	—
Sales (New annualized premiums)	72	80	85	52	69	89	90	68	152	158	295
Risk-based revenue premiums	1,217	1,137	1,499	1,158	1,158	1,124	1,428	1,128	2,354	2,282	4,939

⁽¹⁾ The Lifeco Canada participating account represents the aggregate of the participating accounts of Canada Life.

The Canada Life participating account is comprised of two components; the closed block represents participating policies issued prior to demutualization and the open block represents policies issued after demutualization.

Lifeco Canada – Corporate

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net investment income	57	28	200	22	7	29	22	30	85	36	258
Fee and other income	16	15	15	15	14	15	15	16	31	29	59
Total income	73	43	215	37	21	44	37	46	116	65	317
Benefits and expenses											
Total paid or credited to policyholders	4	4	4	4	4	4	5	5	8	8	16
General expenses	23	21	29	14	15	21	20	26	44	36	79
Restructuring and integration expenses	—	—	68	—	—	—	—	—	—	—	68
Other	67	46	49	39	22	44	40	44	113	66	154
Total benefits and expenses	94	71	150	57	41	69	65	75	165	110	317
Earnings (loss) before income taxes	(21)	(28)	65	(20)	(20)	(25)	(28)	(29)	(49)	(45)	—
Income taxes	38	(33)	(50)	(28)	24	(12)	(10)	(32)	5	12	(66)
Net earnings (loss) before non-controlling interests	(59)	5	115	8	(44)	(13)	(18)	3	(54)	(57)	66
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss)	(59)	5	115	8	(44)	(13)	(18)	3	(54)	(57)	66
Preferred share dividends	28	29	29	28	29	28	29	28	57	57	114
Net earnings (loss) before capital allocation	(87)	(24)	86	(20)	(73)	(41)	(47)	(25)	(111)	(114)	(48)
Capital allocation	29	30	34	33	34	33	34	34	59	67	134
Net earnings (loss) - common shareholders	(58)	6	120	13	(39)	(8)	(13)	9	(52)	(47)	86

Q2 2021 Quarterly Information Package

Lifeco Canada – Balance Sheets

(C\$MM, unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	1,105	964	962	622	621	454	558	568
Bonds	50,806	50,881	53,940	54,584	53,479	50,124	50,034	50,062
Mortgage loans	16,654	16,279	16,036	15,558	15,448	15,154	14,810	14,731
Stocks	12,040	10,908	10,125	9,121	9,422	8,998	9,675	9,499
Investment properties	4,168	3,838	3,626	3,260	3,108	3,157	3,130	2,918
Loans to policyholders	3,044	3,042	3,043	3,079	3,055	3,029	2,972	2,960
Total invested assets	87,817	85,912	87,732	86,224	85,133	80,916	81,179	80,738
Reinsurance assets	(78)	118	439	392	370	330	251	271
Derivative financial instruments	485	359	472	336	310	280	167	230
Owner occupied properties	427	424	421	413	406	400	399	404
Fixed assets	215	217	219	232	236	246	251	242
Other assets	2,877	2,345	1,906	2,461	2,639	2,739	2,649	2,692
Total other assets	4,004	3,345	3,018	3,442	3,591	3,665	3,466	3,568
Deferred tax assets	187	213	204	206	178	179	236	226
Goodwill	4,015	4,016	4,017	4,037	4,039	4,050	4,043	4,044
Intangible assets	1,630	1,618	1,608	1,541	1,539	1,520	1,517	1,510
Investments on account of segregated fund policyholders	96,953	92,462	90,680	85,885	83,495	76,611	85,612	83,792
Total assets	194,528	187,684	187,698	181,727	178,345	167,271	176,304	174,149
Liabilities								
Insurance contract liabilities	80,922	79,166	81,256	79,182	77,581	73,438	74,635	74,154
Investment contract liabilities	318	297	300	301	297	300	304	310
	81,240	79,463	81,556	79,483	77,878	73,738	74,939	74,464
Debentures and other debt instruments	3,216	3,216	3,239	3,243	3,237	2,649	2,621	2,841
Funds held under reinsurance contracts	82	80	78	74	72	70	67	63
Other liabilities	3,854	4,010	4,130	5,051	5,928	6,048	5,188	4,908
Deferred tax liabilities	504	363	284	385	449	538	572	572
Investment and insurance contracts on account of segregated fund policyholders	96,953	92,462	90,680	85,885	83,495	76,611	85,612	83,792
Total liabilities	185,849	179,594	179,967	174,121	171,059	159,654	168,999	166,640
Equity								
Non-controlling interests	3,066	2,861	2,861	2,853	2,828	2,828	2,739	2,776
Share capital								
Preferred shares	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164
Common shares	5,713	5,669	5,651	5,647	5,646	5,646	5,633	5,633
Accumulated surplus	(1,436)	(1,686)	(1,629)	(1,699)	(2,030)	(2,020)	(2,067)	(1,862)
Accumulated other comprehensive income (loss)	(261)	(352)	(750)	(793)	(756)	(434)	(597)	(635)
Contributed surplus	(567)	(566)	(566)	(566)	(566)	(567)	(567)	(567)
Total equity	8,679	8,090	7,731	7,606	7,286	7,617	7,305	7,509
Total liabilities and equity	194,528	187,684	187,698	181,727	178,345	167,271	176,304	174,149
Proprietary mutual funds and institutional net assets	5,852	6,437	7,311	6,979	6,785	6,184	6,986	6,853
Other assets under administration	20,336	19,412	18,554	17,749	17,263	16,379	17,118	17,210
Total assets under administration	220,716	213,533	213,563	206,455	202,393	189,834	200,408	198,212

Lifeco United States



Lifeco U.S. Net Earnings – Consolidated

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD 2021	YTD 2020	Fiscal 2020
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Total net premiums ⁽¹⁾	1,245	1,546	1,386	1,722	1,403	2,262	988	966	2,791	3,665	6,773
Regular net investment income	481	483	310	313	343	312	353	319	964	655	1,278
Changes in fair value through profit or loss	822	(1,224)	169	136	943	(310)	(63)	201	(402)	633	938
Total net investment income	1,303	(741)	479	449	1,286	2	290	520	562	1,288	2,216
Fee and other income	960	927	754	696	654	665	679	665	1,887	1,319	2,769
Total income	3,508	1,732	2,619	2,867	3,343	2,929	1,957	2,151	5,240	6,272	11,758
Benefits and expenses											
Total paid or credited to policyholders ⁽¹⁾	2,353	639	1,717	1,973	2,517	2,206	1,117	1,362	2,992	4,723	8,413
Commissions	133	136	93	96	89	100	102	97	269	189	378
General expenses	738	747	706	627	569	572	543	555	1,485	1,141	2,474
Restructuring and integration expenses	21	16	42	—	—	—	52	—	37	—	42
Other	78	84	60	50	54	47	56	53	162	101	211
Total benefits and expenses	3,323	1,622	2,618	2,746	3,229	2,925	1,870	2,067	4,945	6,154	11,518
Earnings (loss) before income taxes	185	110	1	121	114	4	87	84	295	118	240
Income taxes	39	14	(195)	22	17	(2)	201	7	53	15	(158)
Net earnings (loss) before non-controlling interests	146	96	196	99	97	6	(114)	77	242	103	398
Non-controlling interests	(4)	7	(15)	8	16	(2)	3	(3)	3	14	7
Net earnings (loss) before capital allocation	150	89	211	91	81	8	(117)	80	239	89	391
Capital allocation	—	—	(3)	(2)	(3)	(3)	(4)	(3)	—	(6)	(11)
Net earnings (loss) - common shareholders	150	89	208	89	78	5	(121)	77	239	83	380
Common shareholder net earnings (loss)											
Financial Services ⁽²⁾⁽³⁾	159	93	62	112	68	44	100	63	252	112	286
Asset Management	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Corporate ⁽⁴⁾	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
Total	150	89	208	89	78	5	(121)	77	239	83	380
Common shareholder net earnings (loss) (US\$)	122	70	159	67	57	4	(92)	59	192	61	287

⁽¹⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

⁽²⁾ The Financial Services business unit includes the operating results of Personal Capital from the acquisition date of August 17, 2020.

⁽³⁾ Q2 2021 includes integration costs of \$11m (after-tax). Q1 2021 includes integration costs of \$12m (after-tax). Q4 2020 includes integration costs of \$4m (after-tax).

⁽⁴⁾ Q2 2021 includes \$24m (after-tax) of transaction costs related to the acquisitions of Personal Capital and the retirement services business of MassMutual and restructuring costs of \$4m (after-tax). Q1 2021 includes \$1m (after-tax) of transaction costs related to the MassMutual acquisition. Q4 2020 includes a \$196m revaluation of a deferred tax asset, \$47m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions and restructuring costs of \$29m (after-tax). Q3 2020 includes \$31m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions. Q4 2019 includes \$36m (after-tax) of restructuring costs and a charge of \$199m relating to the revaluation of a deferred tax asset.

Lifeco U.S. – Financial Services – Consolidated ⁽¹⁾

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums ⁽²⁾	1,233	1,530	1,372	1,708	1,390	2,245	973	950	2,763	3,635	6,715
Total net investment income	1,249	(710)	427	389	1,133	34	259	457	539	1,167	1,983
Fee and other income	659	627	428	395	370	374	376	369	1,286	744	1,567
Total income	3,141	1,447	2,227	2,492	2,893	2,653	1,608	1,776	4,588	5,546	10,265
Benefits and expenses											
Total paid or credited to policyholders ⁽²⁾	2,299	659	1,669	1,918	2,400	2,191	1,089	1,295	2,958	4,591	8,178
Commissions	76	78	36	39	33	39	39	38	154	72	147
General expenses	496	517	414	365	340	335	318	332	1,013	675	1,454
Restructuring and integration expenses	15	16	5	—	—	—	—	—	31	—	5
Other	53	58	22	24	25	21	25	27	111	46	92
Total benefits and expenses	2,939	1,328	2,146	2,346	2,798	2,586	1,471	1,692	4,267	5,384	9,876
Earnings (loss) before income taxes	202	119	81	146	95	67	137	84	321	162	389
Income taxes	38	22	10	27	19	15	29	12	60	34	71
Net earnings (loss) before non-controlling interests	164	97	71	119	76	52	108	72	261	128	318
Non-controlling interests	1	—	1	—	—	—	(1)	1	1	—	1
Net earnings (loss) before capital allocation	163	97	70	119	76	52	109	71	260	128	317
Capital allocation	(4)	(4)	(8)	(7)	(8)	(8)	(9)	(8)	(8)	(16)	(31)
Net earnings (loss) - common shareholders ⁽³⁾	159	93	62	112	68	44	100	63	252	112	286
Net earnings (loss) - common shareholders (US\$)	129	74	47	84	49	33	76	49	203	82	213
Sales											
Empower Retirement	22,097	81,067	9,078	8,900	7,222	33,581	15,798	16,885	103,164	40,803	58,781
Personal Capital ⁽¹⁾	1,824	1,777	1,518	721	—	—	—	—	3,601	—	2,239
Total Sales	23,921	82,844	10,596	9,621	7,222	33,581	15,798	16,885	106,765	40,803	61,020
Total Sales (US\$)	19,448	65,231	8,151	7,234	5,196	25,060	11,968	12,792	84,679	30,256	45,641
Revenue Premium											
Risk-based premiums ⁽²⁾	1,233	1,530	1,372	1,708	1,390	2,245	973	950	2,763	3,635	6,715
ASO contracts and other	1,145	844	841	2,318	—	—	—	—	1,989	—	3,159
Segregated fund deposits											
Individual	65	157	197	86	104	156	283	222	222	260	543
Group	1,193	1,641	305	321	316	393	413	352	2,834	709	1,335
Proprietary Mutual Funds	1,112	1,205	1,010	1,325	1,520	1,950	1,813	1,770	2,317	3,470	5,805
Total Revenue by Type ⁽²⁾	4,748	5,377	3,725	5,758	3,330	4,744	3,482	3,294	10,125	8,074	17,557
Individual Markets	90	111	234	107	242	53	347	239	201	295	636
Other	19	27	48	27	40	26	54	29	46	66	141
Empower Retirement ⁽²⁾	4,639	5,239	3,443	5,624	3,048	4,665	3,081	3,026	9,878	7,713	16,780
Total Revenue by Business Line ⁽²⁾⁽⁴⁾	4,748	5,377	3,725	5,758	3,330	4,744	3,482	3,294	10,125	8,074	17,557
Total Revenue Premium (US\$) ⁽²⁾	3,860	4,233	2,865	4,330	2,396	3,541	2,495	2,495	8,093	5,937	13,132

⁽¹⁾ The Financial Services business unit includes the operating results and sales of Personal Capital from the acquisition date of August 17, 2020.

⁽²⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

⁽³⁾ Q2 2021 includes integration costs of \$11m (after-tax). Q1 2021 includes integration costs of \$12m (after-tax). Q4 2020 includes integration costs of \$4m (after-tax).

⁽⁴⁾ Excludes participating policy revenue premiums.

Lifeco U.S. – Financial Services – Reinsured Insurance & Annuity Business ⁽¹⁾

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	25	(46)	37	21	138	(103)	64	17	(21)	35	93
Total net investment income	—	—	—	—	—	—	—	—	—	—	—
Fee and other income	—	—	—	—	—	—	—	—	—	—	—
Total income	25	(46)	37	21	138	(103)	64	17	(21)	35	93
Benefits and expenses											
Total paid or credited to policyholders	25	(46)	37	21	138	(103)	64	17	(21)	35	93
Commissions	—	—	—	—	—	—	—	—	—	—	—
General expenses	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
Total benefits and expenses	25	(46)	37	21	138	(103)	64	17	(21)	35	93
Earnings (loss) before income taxes	—	—	—	—	—	—	—	—	—	—	—
Income taxes	—	—	—	—	—	—	—	—	—	—	—
Net earnings before non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings before capital allocation	—	—	—	—	—	—	—	—	—	—	—
Capital allocation	—	—	—	—	—	—	—	—	—	—	—
Net earnings - common shareholders	—	—	—	—	—	—	—	—	—	—	—
Net earnings - common shareholders (US\$)	—	—	—	—	—	—	—	—	—	—	—
Sales											
Individual Annuity	—	—	—	—	—	—	—	—	—	—	—
Executive Benefits	—	—	—	—	—	—	—	—	—	—	—
Individual Life	—	—	—	—	—	—	—	—	—	—	—
Sales (US\$)	—	—	—	—	—	—	—	—	—	—	—
Revenue Premium											
Risk-based premiums	25	(46)	37	21	138	(103)	64	17	(21)	35	93
Segregated fund deposits	65	157	197	86	104	156	283	222	222	260	543
Total Revenue by Type ⁽²⁾	90	111	234	107	242	53	347	239	201	295	636
Total Revenue (US\$)	73	87	180	80	174	39	262	181	160	213	473

⁽¹⁾ Reinsured Insurance & Annuity Business reflects business transferred to Protective Life under an indemnity reinsurance agreement effective June 1, 2019.

⁽²⁾ Excludes participating policy revenue premiums.

Lifeco U.S. – Financial Services – Empower Retirement

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums ⁽¹⁾	1,189	1,549	1,287	1,660	1,212	2,322	855	904	2,738	3,534	6,481
Total net investment income	1,121	(720)	314	263	905	(56)	169	298	401	849	1,426
Fee and other income	615	581	385	373	364	368	367	361	1,196	732	1,490
Total income	2,925	1,410	1,986	2,296	2,481	2,634	1,391	1,563	4,335	5,115	9,397
Benefits and expenses											
Total paid or credited to policyholders ⁽¹⁾	2,132	677	1,490	1,759	2,015	2,192	865	1,117	2,809	4,207	7,456
Commissions	76	77	35	36	33	37	37	37	153	70	141
General expenses	436	455	345	327	326	321	337	313	891	647	1,319
Restructuring and integration expenses	13	13	—	—	—	—	—	—	26	—	—
Other	45	47	18	18	18	17	16	14	92	35	71
Total benefits and expenses	2,702	1,269	1,888	2,140	2,392	2,567	1,255	1,481	3,971	4,959	8,987
Earnings before income taxes	223	141	98	156	89	67	136	82	364	156	410
Income taxes	48	28	17	33	19	17	28	17	76	36	86
Net earnings before non-controlling interests	175	113	81	123	70	50	108	65	288	120	324
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings before capital allocation	175	113	81	123	70	50	108	65	288	120	324
Capital allocation	(4)	(4)	(8)	(7)	(8)	(8)	(7)	(7)	(8)	(16)	(31)
Net earnings - common shareholders	171	109	73	116	62	42	101	58	280	104	293
Net earnings - common shareholders (US\$)	139	87	56	87	44	31	77	45	226	75	218
Sales (C\$)											
Gross sales	22,097	81,067	9,078	8,900	7,222	33,581	15,798	16,885	103,164	40,803	58,781
Redemptions	(2,257)	(2,546)	(3,333)	(33,810)	(1,298)	(18,806)	(33,452)	(2,996)	(4,803)	(20,104)	(57,247)
Net Sales	19,840	78,521	5,745	(24,910)	5,924	14,775	(17,654)	13,889	98,361	20,699	1,534

Sales

⁽¹⁾ Comparative figures for Q1 2021 have been corrected relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

Lifeco U.S. – Financial Services – Personal Capital

(CSMM, unless otherwise stated)

	2021		2020		YTD 2021	Fiscal 2020
	Q2	Q1	Q4	Q3 ⁽¹⁾		
Income						
Total net premiums	—	—	—	—	—	—
Total net investment income	—	—	—	—	—	—
Fee and other income	43	40	36	17	83	53
Total income	43	40	36	17	83	53
Benefits and expenses						
Total paid or credited to policyholders	—	—	—	—	—	—
Commissions	—	—	(1)	1	—	—
General expenses	48	52	45	24	100	69
Restructuring and integration expenses	2	3	3	—	5	3
Other	7	7	2	1	14	3
Total benefits and expenses	57	62	49	26	119	75
Earnings (loss) before income taxes	(14)	(22)	(13)	(9)	(36)	(22)
Income taxes	(4)	(6)	(5)	(2)	(10)	(7)
Net earnings (loss) before non-controlling interests	(10)	(16)	(8)	(7)	(26)	(15)
Non-controlling interests	—	—	—	—	—	—
Net earnings (loss) before capital allocation	(10)	(16)	(8)	(7)	(26)	(15)
Capital allocation	—	—	—	—	—	—
Net earnings (loss) - common shareholders	(10)	(16)	(8)	(7)	(26)	(15)
Net earnings (loss) - common shareholders (US\$)	(8)	(13)	(7)	(5)	(21)	(12)
Earnings (loss) before income taxes	(14)	(22)	(13)	(9)	(36)	(22)
Customer acquisition costs	18	22	17	9	40	26
Depreciation and amortization	4	5	1	1	9	2
Restructuring and integration expenses	2	3	3	1	5	4
Interest expense	2	2	2	1	4	3
Total customer acquisition, depreciation and amortization, interest and integration expenses	26	32	23	12	58	35
Pre-tax earnings excluding customer acquisition, depreciation and amortization, interest and integration expenses	12	10	10	3	22	13
Sales						
Personal Capital	1,824	1,777	1,518	721	3,601	2,239
Sales (US\$)	1,483	1,399	1,168	542	2,882	1,710
Metrics						
Total End of Period Trading Clients (000's)	28.6	27.1	25.8	24.9		
Net New Assets ⁽²⁾ (\$)	1,255	1,159	917	400		
Total End of Period Assets Under Management (\$)	24,625	22,545	20,665	18,415		

⁽¹⁾ Operating results for Q3 2020 are for the period from the acquisition date of August 17, 2020 to September 30, 2020.

⁽²⁾ Net New Assets for Q3 2020 reflect Personal Capital net cash inflows (outflows) for the period from the acquisition date of August 17, 2020 to September 30, 2020.

Lifeco U.S. – Financial Services – Other ⁽¹⁾

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	19	27	48	27	40	26	54	29	46	66	141
Total net investment income	128	10	113	126	228	90	90	159	138	318	557
Fee and other income	1	6	7	5	6	6	9	8	7	12	24
Total income	148	43	168	158	274	122	153	196	191	396	722
Benefits and expenses											
Total paid or credited to policyholders	142	28	142	138	247	102	160	161	170	349	629
Commissions	—	1	2	2	—	2	2	1	1	2	6
General expenses	12	10	24	14	14	14	(19)	19	22	28	66
Restructuring and integration expenses	—	—	2	—	—	—	—	—	—	—	2
Other	1	4	2	5	7	4	9	13	5	11	18
Total Benefits and Expenses	155	43	172	159	268	122	152	194	198	390	721
Earnings (loss) before income taxes	(7)	—	(4)	(1)	6	—	1	2	(7)	6	1
Income taxes	(6)	—	(2)	(4)	—	(2)	1	(5)	(6)	(2)	(8)
Net earnings before non-controlling interests	(1)	—	(2)	3	6	2	—	7	(1)	8	9
Non-controlling interests	1	—	1	—	—	—	(1)	1	1	—	1
Net earnings before capital allocation	(2)	—	(3)	3	6	2	1	6	(2)	8	8
Capital allocation	—	—	—	—	—	—	(2)	(1)	—	—	—
Net earnings (loss) - common shareholders	(2)	—	(3)	3	6	2	(1)	5	(2)	8	8
Net earnings (loss) - common shareholders (US\$)	(2)	—	(2)	2	5	2	(1)	4	(2)	7	7

⁽¹⁾ Other reflects certain expense items of the Financial Services business unit. As of Q2 2019, the Other segment will also reflect the retained portion of the Individual Markets business following the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business.

Lifeco U.S. – Empower Retirement – Participants and Customer Account Values

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Participants - (000's) ⁽¹⁾								
Empower Retirement	12,617	12,582	11,877	9,382	9,696	9,642	9,370	9,463
	2021		2020				2019	
Customer Account Values - (C\$MM) ⁽¹⁾	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
General Account	43,776	44,947	46,469	22,443	19,761	20,119	17,592	17,872
Segregated Funds	110,301	109,847	111,223	26,669	26,889	24,814	25,355	26,055
Proprietary Mutual Funds	45,970	43,747	43,130	41,345	42,758	38,617	40,234	38,426
Unaffiliated Retail Investment Options & ASO	1,160,944	1,104,495	994,989	817,693	817,404	732,379	792,111	778,450
	1,360,991	1,303,036	1,195,811	908,150	906,812	815,929	875,292	860,803

⁽¹⁾ Effective Q4 2020, Empower participants and customer account values reflect the MassMutual retirement services business acquisition.

Lifeco U.S. – Asset Management

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net investment income	10	3	14	24	45	(37)	10	2	13	8	46
Fee and other income	300	300	326	301	284	291	303	296	600	575	1,202
Total income	310	303	340	325	329	254	313	298	613	583	1,248
Benefits and expenses											
Commissions	56	57	57	57	55	60	63	59	113	115	229
General expenses	216	226	230	224	226	236	221	211	442	462	916
Other	23	25	23	26	27	25	28	24	48	52	101
Total benefits and expenses	295	308	310	307	308	321	312	294	603	629	1,246
Earnings (loss) before income taxes	15	(5)	30	18	21	(67)	1	4	10	(46)	2
Income taxes	3	(6)	13	1	(1)	(18)	(13)	(5)	(3)	(19)	(5)
Net earnings (loss) before non-controlling interests	12	1	17	17	22	(49)	14	9	13	(27)	7
Non-controlling interests	(5)	8	(13)	9	15	(2)	1	1	3	13	9
Net earnings (loss) before capital allocation	17	(7)	30	8	7	(47)	13	8	10	(40)	(2)
Capital allocation	4	4	5	5	5	5	5	5	8	10	20
Net earnings (loss) - common shareholders	21	(3)	35	13	12	(42)	18	13	18	(30)	18
Net earnings (loss) - common shareholders (US\$)	17	(3)	26	10	9	(31)	13	9	14	(22)	14
Sales (C\$)											
Gross sales ⁽¹⁾	12,447	16,095	16,843	18,366	21,005	19,650	15,983	14,360	28,542	40,655	75,864
Redemptions	(16,978)	(18,605)	(18,129)	(15,630)	(16,306)	(34,569)	(15,712)	(16,402)	(35,583)	(50,875)	(84,634)
Net Sales	(4,531)	(2,510)	(1,286)	2,736	4,699	(14,919)	271	(2,042)	(7,041)	(10,220)	(8,770)
Fee Income (C\$)											
Investment management fees	208	207	203	206	193	199	206	205	415	392	801
Performance fees	1	1	32	2	(2)	(2)	2	(3)	2	(4)	30
Service fees	36	36	36	37	38	37	37	37	72	75	148
Underwriting & distribution fees	55	56	55	56	55	57	58	57	111	112	223
Total Fee Income (C\$)	300	300	326	301	284	291	303	296	600	575	1,202
Fee Income (US\$)	244	237	252	226	203	218	229	224	481	421	899

⁽¹⁾ Includes dividends reinvested.

Lifeco U.S. – Asset Management AUM*(CSMM, unless otherwise stated)*

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Mutual Funds								
Growth equity	23,672	22,095	22,817	22,340	19,612	16,235	17,834	16,813
Value equity	26,913	25,436	21,769	21,102	21,037	18,626	23,302	22,326
Blend equity	24,175	23,296	23,081	21,297	22,058	19,598	22,955	22,366
Fixed income	46,706	49,113	50,227	51,638	50,535	48,651	52,289	50,299
ETFs ⁽¹⁾	29	—	—	—	—	—	—	—
Total Mutual Funds	121,495	119,940	117,894	116,377	113,242	103,110	116,380	111,804
Institutional Accounts								
Equity	79,968	74,572	76,843	70,669	67,187	58,883	74,529	73,548
Fixed income	44,765	49,260	48,536	51,048	48,768	46,485	45,332	44,580
Total Institutional Accounts	124,733	123,832	125,379	121,717	115,955	105,368	119,861	118,128
Total End of Period Assets Under Management	246,228	243,772	243,273	238,094	229,197	208,478	236,241	229,932
Total End of Period Assets Under Management (US\$)	198,571	193,470	191,554	179,018	168,526	148,912	181,724	174,191

⁽¹⁾ Exchange-traded funds (ETFs) launched on May 16, 2021.

Lifeco U.S. – Participating Account

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD 2021	YTD 2020	Fiscal 2020
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Total net premiums	12	16	14	14	13	17	15	16	28	30	58
Total net investment income	44	(34)	36	39	108	1	18	49	10	109	184
Fee and other income	1	—	—	—	—	—	—	—	1	—	—
Total income	57	(18)	50	53	121	18	33	65	39	139	242
Benefits and expenses											
Total paid or credited to policyholders	54	(20)	48	55	117	15	28	67	34	132	235
Commissions	1	1	—	—	1	1	—	—	2	2	2
General expenses	—	1	2	1	—	1	1	1	1	1	4
Other	2	1	3	(2)	2	1	1	2	3	3	4
Total benefits and expenses	57	(17)	53	54	120	18	30	70	40	138	245
Earnings (loss) before income taxes	—	(1)	(3)	(1)	1	—	3	(5)	(1)	1	(3)
Income taxes	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) before non-controlling interests	—	(1)	(3)	(1)	1	—	3	(5)	(1)	1	(3)
Non-controlling interests	—	(1)	(3)	(1)	1	—	3	(5)	(1)	1	(3)
Net earnings	—	—	—	—	—	—	—	—	—	—	—
Revenue Premium											
Risk-based premiums	12	16	14	14	13	17	15	16	28	30	58
Revenue Premium (US\$)	10	13	11	11	9	12	12	12	23	21	42

Lifeco U.S. – Corporate ⁽¹⁾

(CSMM, unless otherwise stated)

	2021		2020				2019		YTD 2021	YTD 2020	Fiscal 2020
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Total net investment income	—	—	2	(3)	—	4	3	12	—	4	3
Total income	—	—	2	(3)	—	4	3	12	—	4	3
Benefits and expenses											
Total paid or credited to policyholders	—	—	—	—	—	—	—	—	—	—	—
General expenses	26	3	60	37	3	—	3	11	29	3	100
Restructuring and integration expenses	6	—	37	—	—	—	52	—	6	—	37
Other	—	—	12	2	—	—	2	—	—	—	14
Total benefits and expenses	32	3	109	39	3	—	57	11	35	3	151
Earnings (loss) before income taxes	(32)	(3)	(107)	(42)	(3)	4	(54)	1	(35)	1	(148)
Income taxes	(2)	(2)	(218)	(6)	(1)	1	185	—	(4)	—	(224)
Net earnings (loss) before non-controlling interests	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) before capital allocation	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
Capital allocation	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) - common shareholders ⁽¹⁾⁽²⁾	(30)	(1)	111	(36)	(2)	3	(239)	1	(31)	1	76
Net earnings (loss) - common shareholders (US\$)	(24)	(1)	86	(27)	(1)	2	(181)	1	(25)	1	60

⁽¹⁾ Q4 2019 includes \$36m (after-tax) of restructuring costs and C\$199m of revaluation of a deferred tax asset.

⁽²⁾ Q2 2021 includes \$24m (after-tax) of transaction costs related to the acquisitions of Personal Capital and the retirement services business of MassMutual and restructuring costs of \$4m (after-tax). Q1 2021 includes \$1m (after-tax) of transaction costs related to the MassMutual acquisition. Q4 2020 includes a \$196m revaluation of a deferred tax asset, \$47m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions, and restructuring costs of \$29m (after-tax). Q3 2020 includes \$31m (after-tax) of transaction costs related to the Personal Capital and MassMutual acquisitions. Q4 2019 includes \$36m (after-tax) of restructuring costs and a charge of \$199m relating to the revaluation of a deferred tax asset.

Lifeco U.S. Balance Sheets

(C\$MM, unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	3,434	2,184	4,544	2,147	2,750	2,424	1,445	957
Bonds	37,568	38,885	38,338	28,481	23,147	22,935	21,506	22,613
Mortgage loans	5,766	5,684	5,957	3,989	4,060	4,266	3,996	4,325
Stocks	481	479	448	271	257	258	301	213
Investment properties	6	7	6	6	6	6	6	6
Loans to policyholders	5,044	5,259	5,229	5,700	5,892	6,034	5,514	5,641
Total invested assets	52,299	52,498	54,522	40,594	36,112	35,923	32,768	33,755
Funds held by ceding insurers	9,650	9,709	9,928	—	—	—	—	—
Reinsurance assets	14,793	14,748	15,921	16,345	16,435	15,395	15,103	15,391
Derivative financial instruments	198	144	148	260	362	473	137	243
Owner occupied properties	180	184	186	195	200	206	190	193
Fixed assets	131	136	135	148	148	156	144	151
Other assets	3,795	3,493	3,303	3,000	2,902	3,268	3,403	2,964
Total other assets	4,304	3,957	3,772	3,603	3,612	4,103	3,874	3,551
Deferred tax assets	638	678	726	509	414	458	444	636
Goodwill	2,369	2,407	3,694	1,138	188	194	180	183
Intangible assets	3,197	3,269	2,035	1,827	1,873	1,933	1,810	1,837
Investments on account of segregated fund policyholders	117,384	116,710	117,982	33,088	33,151	30,392	31,433	31,737
Total assets	204,634	203,976	208,580	97,104	91,785	88,398	85,612	87,090
Liabilities								
Insurance contract liabilities	65,648	66,232	69,189	48,161	48,145	46,850	43,562	44,423
Investment contract liabilities	7,391	7,347	7,604	2,443	150	155	127	133
	73,039	73,579	76,793	50,604	48,295	47,005	43,689	44,556
Debentures and other debt instruments	5,060	5,223	5,372	4,777	2,305	2,491	2,354	2,471
Other liabilities	3,221	2,623	2,652	2,671	2,229	2,692	2,535	2,566
Deferred tax liabilities	(23)	(23)	(20)	147	127	127	146	129
Investment and insurance contracts on account of segregated fund policyholders	117,384	116,710	117,982	33,088	33,151	30,392	31,433	31,737
Total liabilities	198,681	198,112	202,779	91,287	86,107	82,707	80,157	81,459
Equity								
Non-controlling interests	128	106	112	117	154	151	109	123
Accumulated surplus	4,551	4,408	4,323	4,116	3,862	3,787	3,848	3,964
Accumulated other comprehensive income	526	608	614	843	936	1,037	756	811
Contributed surplus	748	742	752	741	726	716	742	733
Total equity	5,953	5,864	5,801	5,817	5,678	5,691	5,455	5,631
Total liabilities and equity	204,634	203,976	208,580	97,104	91,785	88,398	85,612	87,090
Proprietary mutual funds and institutional net assets	290,790	284,847	284,251	276,401	251,190	228,058	257,301	250,183
Other assets under administration	1,160,944	1,104,495	994,989	817,693	817,404	732,379	792,110	778,450
Total assets under administration	1,656,368	1,593,318	1,487,820	1,191,198	1,160,379	1,048,835	1,135,023	1,115,723

Europe



Lifeco Europe Net Earnings – Consolidated

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	934	944	1,397	534	929	791	441	648	1,878	1,720	3,651
Regular net investment income	360	299	275	388	357	293	383	315	659	650	1,313
Changes in fair value through profit or loss	314	(1,694)	590	102	1,641	(664)	(1,115)	1,279	(1,380)	977	1,669
Total net investment income	674	(1,395)	865	490	1,998	(371)	(732)	1,594	(721)	1,627	2,982
Fee and other income	346	353	351	342	340	333	377	382	699	673	1,366
Total income	1,954	(98)	2,613	1,366	3,267	753	86	2,624	1,856	4,020	7,999
Benefits and expenses											
Total paid or credited to policyholders	1,204	(790)	1,832	594	2,534	224	(655)	1,882	414	2,758	5,184
Commissions	120	122	126	101	112	126	124	105	242	238	465
General expenses	302	295	285	275	283	283	276	262	597	566	1,126
Other	44	46	45	41	46	39	43	45	90	85	171
Total benefits and expenses	1,670	(327)	2,288	1,011	2,975	672	(212)	2,294	1,343	3,647	6,946
Earnings before income taxes	284	229	325	355	292	81	298	330	513	373	1,053
Income taxes	75	11	46	12	11	(36)	(62)	21	86	(25)	33
Net earnings before non-controlling interests	209	218	279	343	281	117	360	309	427	398	1,020
Non-controlling interests	1	1	—	—	1	—	(1)	1	2	1	1
Net earnings	208	217	279	343	280	117	361	308	425	397	1,019
Preferred share dividends	5	4	4	5	5	5	4	5	9	10	19
Net earnings before capital allocation	203	213	275	338	275	112	357	303	416	387	1,000
Capital allocation	(18)	(18)	(22)	(22)	(22)	(21)	(22)	(21)	(36)	(43)	(87)
Net earnings - common shareholders	185	195	253	316	253	91	335	282	380	344	913
Common shareholder net earnings (loss)											
U.K.	30	108	156	67	109	91	206	167	138	200	423
Ireland	72	46	54	196	101	(16)	88	83	118	85	335
Germany	92	43	47	56	46	19	35	36	135	65	168
Corporate	(9)	(2)	(4)	(3)	(3)	(3)	6	(4)	(11)	(6)	(13)
Total ⁽¹⁾	185	195	253	316	253	91	335	282	380	344	913

⁽¹⁾ Q2 2021 includes a charge of \$21m related to the revaluation of deferred tax liabilities resulting from legislated increases to future U.K. corporation tax rates. Q3 2020 includes a \$94m (after-tax) net gain on the Irish Progressive Services International Limited (IPSI) transaction. Q4 2019 includes an \$8m (after-tax) net gain on the Scottish Friendly transaction.

Lifeco Europe – U.K.

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	604	491	929	282	713	380	255	498	1,095	1,093	2,304
Total net investment income	713	(1,073)	757	274	1,740	(330)	(448)	1,290	(360)	1,410	2,441
Fee and other income	39	46	43	42	44	39	63	54	85	83	168
Total income	1,356	(536)	1,729	598	2,497	89	(130)	1,842	820	2,586	4,913
Benefits and expenses											
Total paid or credited to policyholders	1,090	(779)	1,412	406	2,257	(103)	(383)	1,540	311	2,154	3,972
Commissions	39	35	28	25	32	35	28	31	74	67	120
General expenses	92	86	77	85	83	79	78	79	178	162	324
Other	3	3	3	3	3	4	3	4	6	7	13
Total benefits and expenses	1,224	(655)	1,520	519	2,375	15	(274)	1,654	569	2,390	4,429
Earnings before income taxes	132	119	209	79	122	74	144	188	251	196	484
Income taxes	87	(3)	35	(7)	(5)	(35)	(80)	4	84	(40)	(12)
Net earnings before											
non-controlling interests	45	122	174	86	127	109	224	184	167	236	496
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings	45	122	174	86	127	109	224	184	167	236	496
Perpetual share dividends	—	—	—	—	—	—	—	—	—	—	—
Net earnings before capital allocation	45	122	174	86	127	109	224	184	167	236	496
Capital allocation	(15)	(14)	(18)	(19)	(18)	(18)	(18)	(17)	(29)	(36)	(73)
Net earnings - common shareholders	30	108	156	67	109	91	206	167	138	200	423
Sales											
UK / Isle of Man	1,591	1,092	1,469	672	1,059	1,102	1,027	1,238	2,683	2,161	4,302
Total - UK / Isle of Man	1,591	1,092	1,469	672	1,059	1,102	1,027	1,238	2,683	2,161	4,302
Revenue Premium											
Risk-based revenue premiums	604	491	929	282	713	380	255	498	1,095	1,093	2,304
Segregated fund deposits	727	540	432	395	412	648	702	629	1,267	1,060	1,887
Total - UK / Isle of Man ⁽¹⁾	1,331	1,031	1,361	677	1,125	1,028	957	1,127	2,362	2,153	4,191

⁽¹⁾ Excludes participating policy revenue premiums.

Lifeco Europe – Ireland

		2021		2020				2019		YTD	YTD	Fiscal
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
<i>(C\$MM)</i>												
Income												
	Total net premiums	318	438	451	243	206	399	168	109	756	605	1,299
	Total net investment income	(31)	(267)	125	222	276	(87)	(229)	263	(298)	189	536
	Fee and other income	192	191	189	189	185	189	229	238	383	374	752
	Total income	479	362	765	654	667	501	168	610	841	1,168	2,587
Benefits and expenses												
	Total paid or credited to policyholders	157	59	454	215	302	263	(168)	292	216	565	1,234
	Commissions	34	40	44	36	42	44	45	34	74	86	166
	General expenses	162	164	163	151	160	166	152	146	326	326	640
	Other	31	34	32	30	35	30	33	31	65	65	127
	Total benefits and expenses	384	297	693	432	539	503	62	503	681	1,042	2,167
	Earnings (loss) before income taxes	95	65	72	222	128	(2)	106	107	160	126	420
	Income taxes	11	7	5	15	15	3	7	12	18	18	38
	Net earnings (loss) before non-controlling interests	84	58	67	207	113	(5)	99	95	142	108	382
	Non-controlling interests	1	1	1	—	1	—	—	1	2	1	2
	Net earnings (loss) before capital allocation	83	57	66	207	112	(5)	99	94	140	107	380
	Capital allocation	(11)	(11)	(12)	(11)	(11)	(11)	(11)	(11)	(22)	(22)	(45)
	Net earnings (loss) - common shareholders	72	46	54	196	101	(16)	88	83	118	85	335
Sales	Ireland	4,239	6,031	5,270	4,561	6,001	8,480	5,393	5,784	10,270	14,481	24,312
	Total - Ireland	4,239	6,031	5,270	4,561	6,001	8,480	5,393	5,784	10,270	14,481	24,312
Revenue Premium	Risk-based revenue premiums	318	438	451	243	206	399	168	109	756	605	1,299
	Segregated fund deposits	2,020	2,112	2,195	2,187	1,834	2,352	3,092	2,314	4,132	4,186	8,568
	Proprietary mutual funds & institutional deposits	2,507	4,528	3,514	2,706	4,688	6,391	3,342	3,734	7,035	11,079	17,299
	Total - Ireland ⁽¹⁾	4,845	7,078	6,160	5,136	6,728	9,142	6,602	6,157	11,923	15,870	27,166

⁽¹⁾ Excludes participating policy revenue premiums.

Lifeco Europe – Germany

<i>(C\$MM)</i>		2021		2020				2019		YTD	YTD	Fiscal
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income												
Total net premiums		12	15	16	9	9	12	18	40	27	21	46
Total net investment income		(12)	(62)	(22)	(5)	(24)	63	(43)	29	(74)	39	12
Fee and other income		115	116	119	111	111	105	109	90	231	216	446
Total income		115	69	113	115	96	180	84	159	184	276	504
Benefits and expenses												
Total paid or credited to policyholders		(45)	(75)	(40)	(27)	(30)	76	(55)	40	(120)	46	(21)
Commissions		47	47	54	40	38	47	51	40	94	85	179
General expenses		38	41	40	37	36	35	39	33	79	71	148
Other		3	2	2	2	1	1	2	2	5	2	6
Total benefits and expenses		43	15	56	52	45	159	37	115	58	204	312
Earnings before income taxes		72	54	57	63	51	21	47	44	126	72	192
Income taxes		(21)	9	9	6	3	—	10	6	(12)	3	18
Net earnings before capital allocation		93	45	48	57	48	21	37	38	138	69	174
Capital allocation		(1)	(2)	(1)	(1)	(2)	(2)	(2)	(2)	(3)	(4)	(6)
Net earnings - common shareholders		92	43	47	56	46	19	35	36	135	65	168
Sales												
Germany		96	103	135	80	81	86	146	76	199	167	382
Total - Germany		96	103	135	80	81	86	146	76	199	167	382
Revenue Premium												
Risk-based revenue premiums		12	15	16	9	9	12	18	40	27	21	46
Segregated fund deposits		308	310	358	292	288	278	348	265	618	566	1,216
Total - Germany ⁽¹⁾		320	325	374	301	297	290	366	305	645	587	1,262

⁽¹⁾ Excludes participating policy revenue premiums.

Lifeco Europe – Participating Account

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	—	—	1	—	1	—	—	1	—	1	2
Total net investment income	3	6	5	(1)	6	(16)	(5)	12	9	(10)	(6)
Fee and other income	—	—	—	—	—	—	—	—	—	—	—
Total income	3	6	6	(1)	7	(16)	(5)	13	9	(9)	(4)
Benefits and expenses											
Total paid or credited to policyholders	2	5	6	—	5	(12)	(6)	10	7	(7)	(1)
Commissions	—	—	—	—	—	—	—	—	—	—	—
General expenses	—	—	—	—	—	—	2	1	—	—	—
Other	1	1	1	(1)	1	(3)	(1)	2	2	(2)	(2)
Total benefits and expenses	3	6	7	(1)	6	(15)	(5)	13	9	(9)	(3)
Earnings (loss) before											
income taxes	—	—	(1)	—	1	(1)	—	—	—	—	(1)
Income taxes	—	—	—	—	1	(1)	1	—	—	—	—
Net earnings (loss) before											
non-controlling interests	—	—	(1)	—	—	—	(1)	—	—	—	(1)
Non-controlling interests	—	—	(1)	—	—	—	(1)	—	—	—	(1)
Net earnings - common shareholders	—	—	—	—	—	—	—	—	—	—	—
Risk-based revenue premiums	—	—	1	—	1	—	—	1	—	1	2

Lifeco Europe – Corporate

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Net premium income	—	—	—	—	—	—	—	—	—	—	—
Total net investment income	1	1	—	—	—	(1)	(7)	—	2	(1)	(1)
Fee and other income	—	—	—	—	—	—	(24)	—	—	—	—
Total income	1	1	—	—	—	(1)	(31)	—	2	(1)	(1)
Benefits and expenses											
Total paid or credited to policyholders	—	—	—	—	—	—	(43)	—	—	—	—
Commissions	—	—	—	—	—	—	—	—	—	—	—
General expenses	10	4	5	2	4	3	5	3	14	7	14
Other	6	6	7	7	6	7	6	6	12	13	27
Total benefits and expenses	16	10	12	9	10	10	(32)	9	26	20	41
Earnings (loss) before											
income taxes	(15)	(9)	(12)	(9)	(10)	(11)	1	(9)	(24)	(21)	(42)
Income taxes	(2)	(2)	(3)	(2)	(3)	(3)	—	(1)	(4)	(6)	(11)
Net Earnings (loss)	(13)	(7)	(9)	(7)	(7)	(8)	1	(8)	(20)	(15)	(31)
Preferred shareholder dividends	5	4	4	5	5	5	4	5	9	10	19
Net earnings (loss) before											
capital allocation	(18)	(11)	(13)	(12)	(12)	(13)	(3)	(13)	(29)	(25)	(50)
Capital allocation	9	9	9	9	9	10	9	9	18	19	37
Net earnings (loss) -											
common shareholders	(9)	(2)	(4)	(3)	(3)	(3)	6	(4)	(11)	(6)	(13)

Q2 2021 Quarterly Information Package

Lifeco Europe – Balance Sheets

(CSMM, unless otherwise stated)

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	1,789	1,879	2,032	1,939	1,797	2,006	1,952	1,689
Bonds	37,355	37,832	39,948	38,760	38,295	37,814	38,353	37,954
Mortgage loans	5,884	5,590	5,746	5,755	5,581	5,570	5,388	5,008
Stocks	456	436	427	401	396	364	399	374
Investment properties	2,692	2,645	2,638	2,587	2,502	2,673	2,751	2,618
Loans to policyholders	2	2	2	2	2	2	2	3
Total invested assets	48,178	48,384	50,793	49,444	48,573	48,429	48,845	47,646
Assets held for sale	—	—	—	—	—	—	—	876
Funds withheld by ceding insurers	—	—	2	—	—	—	—	—
Reinsurance assets	5,277	5,264	5,622	5,460	5,281	5,169	5,231	5,420
Derivative financial instruments	156	164	208	191	191	176	147	221
Owner occupied properties	127	127	134	133	146	147	138	136
Fixed assets	62	65	71	67	57	63	58	57
Other assets	3,672	4,061	4,075	3,775	3,391	3,350	2,879	2,737
Total other assets	4,017	4,417	4,488	4,166	3,785	3,736	3,222	3,151
Goodwill	2,368	2,361	2,395	2,398	2,373	2,368	2,282	2,263
Intangible assets	642	634	642	608	586	586	552	528
Deferred tax assets	15	26	39	45	34	41	12	12
Investments on account of segregated fund policyholders	129,342	124,404	125,370	117,970	112,073	105,574	113,977	107,075
Investments on account of segregated fund policyholders held for sale	—	—	—	—	—	—	—	3,172
Total assets	189,839	185,490	189,351	180,091	172,705	165,903	174,121	170,143
Liabilities								
Insurance contract liabilities	45,294	45,439	47,998	46,568	45,809	45,518	45,447	44,767
Investment contract liabilities	259	266	245	254	231	226	215	230
	45,553	45,705	48,243	46,822	46,040	45,744	45,662	44,997
Liabilities held for sale	—	—	—	—	—	—	—	876
Debentures and other debt instruments	1,027	1,026	1,082	1,088	1,060	1,081	1,018	1,004
Funds held under reinsurance contracts	1,493	1,472	1,570	1,528	1,427	1,329	1,366	1,347
Other liabilities	1,283	1,703	1,827	1,597	961	908	994	1,276
Deferred tax liabilities	375	276	288	258	250	260	275	282
Investment and insurance contracts on account of segregated fund policyholders	129,342	124,404	125,370	117,970	112,073	105,574	113,977	107,075
Investment and insurance contracts on account of segregated fund policyholders held for sale	—	—	—	—	—	—	—	3,172
Total liabilities	179,073	174,586	178,380	169,263	161,811	154,896	163,292	160,029
Equity								
Non-controlling interests	27	24	24	26	24	24	22	22
Share capital								
Preferred shares	550	550	550	550	550	550	550	550
Accumulated surplus	10,101	10,188	10,002	9,951	10,229	10,023	10,145	9,766
Accumulated other comprehensive income (loss)	90	142	395	301	91	410	112	(224)
Contributed surplus	(2)	—	—	—	—	—	—	—
Total equity	10,766	10,904	10,971	10,828	10,894	11,007	10,829	10,114
Total liabilities and equity	189,839	185,490	189,351	180,091	172,705	165,903	174,121	170,143
Proprietary mutual funds and institutional net assets	61,655	59,598	59,381	58,056	57,351	54,067	56,261	51,389
Other assets under administration	12,169	10,315	10,871	10,420	55,262	50,089	48,738	46,040
Total assets under administration	263,663	255,403	259,603	248,567	285,318	270,059	279,120	267,572

Capital and Risk Solutions

Capital and Risk Solutions Net Earnings – Consolidated

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	6,282	7,466	5,336	4,490	4,975	4,606	4,462	4,104	13,748	9,581	19,407
Regular net investment income	71	65	68	80	88	84	47	87	136	172	320
Changes in fair value											
through profit or loss	138	(387)	162	61	444	(208)	(143)	256	(249)	236	459
Total net investment income	209	(322)	230	141	532	(124)	(96)	343	(113)	408	779
Fee and other income	2	2	3	3	2	3	2	2	4	5	11
Total income	6,493	7,146	5,569	4,634	5,509	4,485	4,368	4,449	13,639	9,994	20,197
Benefits and expenses											
Total paid or credited to policyholders	6,275	6,932	5,331	4,407	5,257	4,323	4,196	4,329	13,207	9,580	19,318
Commissions	28	33	50	31	28	29	34	28	61	57	138
General expenses	25	25	25	25	24	23	22	21	50	47	97
Other	4	3	4	3	5	4	4	3	7	9	16
Total benefits and expenses	6,332	6,993	5,410	4,466	5,314	4,379	4,256	4,381	13,325	9,693	19,569
Earnings before income taxes	161	153	159	168	195	106	112	68	314	301	628
Income taxes	3	1	(7)	(5)	4	7	(7)	(10)	4	11	(1)
Net earnings before											
non-controlling interests	158	152	166	173	191	99	119	78	310	290	629
Non-controlling interests	—	—	(6)	1	(1)	—	—	—	—	(1)	(6)
Net earnings	158	152	172	172	192	99	119	78	310	291	635
Preferred share dividends	—	—	—	—	—	—	—	—	—	—	—
Net earnings before capital allocation	158	152	172	172	192	99	119	78	310	291	635
Capital allocation	(6)	(7)	(5)	(5)	(5)	(6)	(2)	(3)	(13)	(11)	(21)
Net earnings - common shareholders	152	145	167	167	187	93	117	75	297	280	614
Common shareholder net earnings (loss)											
Reinsurance	153	146	171	168	188	94	128	75	299	282	621
Corporate	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)
Total	152	145	167	167	187	93	117	75	297	280	614

Capital and Risk Solutions – Reinsurance

(CSMM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	6,278	7,462	5,330	4,484	4,970	4,601	4,455	4,098	13,740	9,571	19,385
Regular net investment income	64	57	61	73	79	77	37	77	121	156	290
Changes in fair value through profit or loss	105	(316)	148	54	390	(210)	(129)	222	(211)	180	382
Total net investment income	169	(259)	209	127	469	(133)	(92)	299	(90)	336	672
Fee and other income	2	2	3	3	2	3	2	2	4	5	11
Total income	6,449	7,205	5,542	4,614	5,441	4,471	4,365	4,399	13,654	9,912	20,068
Benefits and expenses											
Total paid or credited to policyholders	6,231	6,992	5,296	4,389	5,188	4,310	4,183	4,280	13,223	9,498	19,183
Commissions	28	33	50	31	28	29	34	28	61	57	138
General expenses	23	23	23	23	23	21	21	20	46	44	90
Other	4	3	4	3	5	4	4	3	7	9	16
Total benefits and expenses	6,286	7,051	5,373	4,446	5,244	4,364	4,242	4,331	13,337	9,608	19,427
Earnings before income taxes	163	154	169	168	197	107	123	68	317	304	641
Income taxes	4	1	(7)	(5)	4	7	(7)	(10)	5	11	(1)
Net earnings before capital allocation	159	153	176	173	193	100	130	78	312	293	642
Capital allocation	(6)	(7)	(5)	(5)	(5)	(6)	(2)	(3)	(13)	(11)	(21)
Net earnings - common shareholders	153	146	171	168	188	94	128	75	299	282	621
Risk-based revenue premiums	6,278	7,462	5,330	4,484	4,970	4,601	4,455	4,098	13,740	9,571	19,385

Capital and Risk Solutions – Participating Account

(C\$MM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	4	4	6	6	5	5	7	6	8	10	22
Regular net investment income	7	7	7	7	9	7	8	9	14	16	30
Changes in fair value through profit or loss	30	(65)	12	6	48	4	(13)	31	(35)	52	70
Total net investment income	37	(58)	19	13	57	11	(5)	40	(21)	68	100
Total income	41	(54)	25	19	62	16	2	46	(13)	78	122
Benefits and expenses											
Total paid or credited to policyholders	41	(54)	32	19	62	16	7	46	(13)	78	129
Commissions	—	—	—	—	—	—	—	—	—	—	—
General expenses	—	—	(1)	—	—	—	(5)	—	—	—	(1)
Other	—	—	—	—	—	—	—	—	—	—	—
Total benefits and expenses	41	(54)	31	19	62	16	2	46	(13)	78	128
Earnings before income taxes	—	—	(6)	—	—	—	—	—	—	—	(6)
Income taxes	—	—	—	—	—	—	—	—	—	—	—
Net earnings before non-controlling interests	—	—	(6)	—	—	—	—	—	—	—	(6)
Non-controlling interests	—	—	(6)	—	—	—	—	—	—	—	(6)
Net earnings	—	—	—	—	—	—	—	—	—	—	—
Net earnings before capital allocation	—	—	—	—	—	—	—	—	—	—	—
Capital allocation	—	—	—	—	—	—	—	—	—	—	—
Net earnings - common shareholders	—	—	—	—	—	—	—	—	—	—	—
Risk-based revenue premiums	4	4	6	6	5	5	7	6	8	10	22

Capital and Risk Solutions – Corporate

(CSMM)	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	—	—	—	—	—	—	—	—	—	—	—
Regular net investment income	—	1	—	—	—	—	2	1	1	—	—
Changes in fair value											
through profit or loss	3	(6)	2	1	6	(2)	(1)	3	(3)	4	7
Total net investment income	3	(5)	2	1	6	(2)	1	4	(2)	4	7
Total income	3	(5)	2	1	6	(2)	1	4	(2)	4	7
Benefits and expenses											
Total paid or credited to policyholders	3	(6)	3	(1)	7	(3)	6	3	(3)	4	6
Commissions	—	—	—	—	—	—	—	—	—	—	—
General expenses	2	2	3	2	1	2	6	1	4	3	8
Other	—	—	—	—	—	—	—	—	—	—	—
Total benefits and expenses	5	(4)	6	1	8	(1)	12	4	1	7	14
Earnings (loss) before income taxes	(2)	(1)	(4)	—	(2)	(1)	(11)	—	(3)	(3)	(7)
Income taxes	(1)	—	—	—	—	—	—	—	(1)	—	—
Net earnings (loss) before non-controlling interests	(1)	(1)	(4)	—	(2)	(1)	(11)	—	(2)	(3)	(7)
Non-controlling interests	—	—	—	1	(1)	—	—	—	—	(1)	—
Net earnings (loss)	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)
Preferred share dividends	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) before capital allocation	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)
Capital allocation	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) - common shareholders	(1)	(1)	(4)	(1)	(1)	(1)	(11)	—	(2)	(2)	(7)

Q2 2021 Quarterly Information Package

Capital and Risk Solutions – Balance Sheets

(C\$MM)

GREAT-WEST
LIFECO INC.

	2021		2020				2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	380	589	408	664	701	751	673	639
Bonds	6,397	6,457	5,366	5,265	5,419	5,339	5,135	5,264
Mortgage loans	60	62	64	67	70	79	74	77
Stocks	—	—	—	—	—	—	—	—
Loans to policyholders	113	114	113	118	119	121	113	113
Total invested assets	6,950	7,222	5,951	6,114	6,309	6,290	5,995	6,093
Funds held by ceding insurers	7,771	7,910	8,453	8,273	8,404	8,580	8,714	8,791
Reinsurance assets	122	122	139	138	135	131	122	113
Derivative financial instruments	3	2	1	—	—	—	—	—
Fixed assets	1	1	1	2	2	2	2	2
Other assets	319	344	310	298	310	341	296	243
Total other assets	323	347	312	300	312	343	298	245
Deferred tax assets	9	8	6	(10)	1	(13)	1	2
Total assets	15,175	15,609	14,861	14,815	15,161	15,331	15,130	15,244
Liabilities								
Insurance contract liabilities	10,818	11,173	10,459	10,468	10,666	10,828	10,877	11,089
Investment contract liabilities	912	914	996	1,049	1,084	1,064	1,010	1,048
	11,730	12,087	11,455	11,517	11,750	11,892	11,887	12,137
Funds held under reinsurance contracts	—	—	—	—	—	—	—	—
Other liabilities	801	909	800	795	1,033	1,198	1,166	1,060
Deferred tax liabilities	86	86	94	106	127	115	123	144
Total liabilities	12,617	13,082	12,349	12,418	12,910	13,205	13,176	13,341
Equity								
Non-controlling interests	(10)	(11)	(10)	(5)	(4)	(4)	(4)	(4)
Accumulated surplus	2,444	2,380	2,294	2,117	1,984	1,801	1,734	1,710
Accumulated other comprehensive income	124	158	228	285	271	329	224	197
Total equity	2,558	2,527	2,512	2,397	2,251	2,126	1,954	1,903
Total liabilities and equity	15,175	15,609	14,861	14,815	15,161	15,331	15,130	15,244

Lifeco Corporate

(C\$MM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Income											
Total net premiums	—	—	—	—	—	—	—	—	—	—	—
Total net investment income	(3)	(2)	(6)	(2)	1	9	(1)	(1)	(5)	10	2
Fee and other income	—	—	—	—	—	—	—	—	—	—	—
Total income	(3)	(2)	(6)	(2)	1	9	(1)	(1)	(5)	10	2
Benefits and expenses											
General expenses	25	5	11	7	7	4	6	3	30	11	29
Other	1	1	3	4	2	—	(1)	1	2	2	9
Total benefits and expenses	26	6	14	11	9	4	5	4	32	13	38
Earnings (loss) before income taxes	(29)	(8)	(20)	(13)	(8)	5	(6)	(5)	(37)	(3)	(36)
Income taxes	(41)	(2)	(6)	(3)	(2)	1	—	(2)	(43)	(1)	(10)
Net earnings (loss) before capital allocation	12	(6)	(14)	(10)	(6)	4	(6)	(3)	6	(2)	(26)
Capital allocation	(3)	(3)	(2)	(2)	(2)	(2)	—	(1)	(6)	(4)	(8)
Net earnings (loss) - common shareholders	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)

Lifeco – Consolidated Source of Earnings

(CSMM)

	For the three months ended June 30, 2021						2021	2020					2019		YTD	YTD	Fiscal
	Canada	U.S.	Europe	C&RS	Corp	Total	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020	
Expected profit on in-force business	328	205	227	170	(5)	925	885	842	803	732	729	762	752	1,810	1,461	3,106	
Impact of new business	(7)	(56)	(12)	3	—	(72)	(71)	(86)	(66)	(69)	(86)	(5)	(13)	(143)	(155)	(307)	
Experience gains and losses	18	58	11	(13)	(19)	55	58	93	36	98	(195)	55	(2)	113	(97)	32	
Management actions and changes in assumptions	(7)	(4)	48	1	—	38	2	29	132	140	(81)	(102)	65	40	59	220	
Other	—	(42)	—	—	—	(42)	(16)	(110)	—	—	—	(52)	—	(58)	—	(110)	
Earnings on surplus (incl. financing charges)	20	23	(8)	(6)	(8)	21	(31)	6	8	102	4	57	20	(10)	106	120	
Earnings (loss) before income taxes	352	184	266	155	(32)	925	827	774	913	1,003	371	715	822	1,752	1,374	3,061	
Income taxes	(36)	(39)	(75)	(3)	41	(112)	(78)	158	(44)	(90)	2	(167)	(57)	(190)	(88)	26	
Net earnings (loss) before non-controlling interests & preferred dividends	316	145	191	152	9	813	749	932	869	913	373	548	765	1,562	1,286	3,087	
Non-controlling interests & preferred dividends	(28)	5	(6)	—	—	(29)	(42)	(20)	(43)	(50)	(31)	(35)	(35)	(71)	(81)	(144)	
Net earnings - Common Shareholders	288	150	185	152	9	784	707	912	826	863	342	513	730	1,491	1,205	2,943	
Items excluded from Base Earnings - post tax																	
Actuarial assumption changes and other management actions	(6)	—	41	2	—	37	5	(23)	66	122	(52)	(78)	81	42	70	113	
Market-related impacts on liabilities (<i>experience gains and losses and taxes</i>)	1	(1)	(19)	—	—	(19)	(24)	(31)	18	35	(149)	(13)	(28)	(43)	(114)	(127)	
Net gain/charge on business dispositions ⁽¹⁾	—	—	—	—	—	—	—	143	94	—	—	8	—	—	—	237	
Transaction costs related to the acquisitions of Personal Capital and MassMutual (<i>management actions and other</i>)	—	(24)	—	—	—	(24)	(1)	(47)	(31)	—	—	—	—	(25)	—	(78)	
Tax legislative changes impact on liabilities	—	—	(21)	—	—	(21)	—	—	—	—	—	—	—	(21)	—	—	
Revaluation of deferred tax asset (<i>taxes</i>)	—	—	—	—	—	—	—	196	—	—	—	(199)	—	—	—	196	
Restructuring and integration costs (<i>other</i>)	—	(15)	—	—	—	(15)	(12)	(67)	—	—	—	(36)	—	(27)	—	(67)	
Items excluded from Base Earnings	(5)	(40)	1	2	—	(42)	(32)	171	147	157	(201)	(318)	53	(74)	(44)	274	
Base Earnings	293	190	184	150	9	826	739	741	679	706	543	831	677	1,565	1,249	2,669	

⁽¹⁾ Net gain/charge on business dispositions includes: In Q4 2020, a net gain of \$143m on the sale of GLC included in the Canada Corporate business unit; in Q3 2020, a net gain of \$94m on the sale of IPSI included in the Europe Ireland business unit; in Q4 2019, a net gain of \$8m on the sale of heritage block of individual policies to Scottish Friendly included in the Europe Corporate business unit.

Note: Base earnings (loss) are defined as net earnings excluding the impact of actuarial assumption changes and other 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 net gains, losses or costs related to the disposition or acquisition of a business.

Expected Profit on In-Force Business - This component represents the portion of the consolidated net income on business in-force at the start of the reporting period that was expected to be realized based on the achievement of the best-estimate assumptions. It includes releases of provisions for adverse deviations, expected net earnings on deposits and expected net management fees. For fee based businesses, it includes all pre-tax core earnings except for sales-based expenses and the impact of fees being different from expected.

Impact of New Business - For non-fee based businesses, this is the difference between the premium received and the sum of the expenses incurred as a result of the sale and the new liabilities established at the point of sale. For fee based businesses, the impact of new business is equal to that portion of the expenses incurred as a result of the sale that have not been capitalized.

Experience Gains and Losses - This component represents gains and losses that are due to differences between the actual experience during the reporting period and the best-estimate assumptions at the start of the reporting period.

Management Actions and Changes in Assumptions - This component represents the impact on net income resulting from management actions, changes in actuarial assumptions or methodology, changes in margins for adverse deviations, and correction of errors.

Other - This component represents the amounts not included in any other line of the sources of earnings.

Earnings on Surplus - This component represents the earnings on the Company's surplus funds including investment income on seed capital and external financing costs.

Canada – Consolidated Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	328	311	322	319	303	297	328	324	639	600	1,241
Impact of new business	(7)	2	2	(16)	(12)	(17)	(6)	25	(5)	(29)	(43)
Experience gains and losses	18	66	87	(6)	69	33	32	77	84	102	183
Management actions and changes in assumptions	(7)	(18)	(40)	4	58	(128)	(113)	(76)	(25)	(70)	(106)
Other	—	—	(68)	—	—	—	—	—	—	—	(68)
Earnings on surplus (incl. financing charges)	20	9	29	11	24	22	13	18	29	46	86
Earnings (loss) before income taxes	352	370	332	312	442	207	254	368	722	649	1,293
Income taxes	(36)	(54)	(3)	(18)	(60)	(28)	(37)	(40)	(90)	(88)	(109)
Net earnings (loss) before non-controlling interests & preferred dividends	316	316	329	294	382	179	217	328	632	561	1,184
Non-controlling interests & preferred dividends	(28)	(29)	(29)	(28)	(29)	(28)	(29)	(28)	(57)	(57)	(114)
Net earnings - Common Shareholders	288	287	300	266	353	151	188	300	575	504	1,070
Items excluded from Base Earnings - post tax											
Actuarial assumption changes and other management actions	(6)	(13)	(147)	4	43	(94)	(82)	(55)	(19)	(51)	(194)
Market-related impacts on liabilities (<i>experience gains and losses and taxes</i>)	1	2	(10)	(8)	(5)	(28)	(4)	—	3	(33)	(51)
Net gain/charge on business dispositions (<i>management actions</i>) ⁽¹⁾	—	—	143	—	—	—	—	—	—	—	143
Restructuring and integration costs (<i>other</i>)	—	—	(34)	—	—	—	—	—	—	—	(34)
Items excluded from Base Earnings	(5)	(11)	(48)	(4)	38	(122)	(86)	(55)	(16)	(84)	(136)
Base Earnings	293	298	348	270	315	273	274	355	591	588	1,206

⁽¹⁾ Net gain/charge on business dispositions includes:

- In Q4 2020, a net gain of \$143m on the sale of GLC included in the Canada Corporate business unit.

U.S. – Consolidated Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	205	177	148	114	90	95	108	109	382	185	447
Impact of new business	(56)	(64)	(51)	(40)	(32)	(41)	(37)	(33)	(120)	(73)	(164)
Experience gains and losses	58	28	(1)	11	5	(20)	23	5	86	(15)	(5)
Management actions and changes in assumptions	(4)	(2)	(56)	13	—	—	32	(2)	(6)	—	(43)
Other	(42)	(16)	(42)	—	—	—	(52)	—	(58)	—	(42)
Earnings on surplus (incl. financing charges)	23	(12)	3	22	47	(33)	7	7	11	14	39
Earnings (loss) before income taxes	184	111	1	120	110	1	81	86	295	111	232
Income taxes	(39)	(14)	194	(22)	(17)	2	(201)	(8)	(53)	(15)	157
Net earnings (loss) before non-controlling interests & preferred dividends	145	97	195	98	93	3	(120)	78	242	96	389
Non-controlling interests & preferred dividends	5	(8)	13	(9)	(15)	2	(1)	(1)	(3)	(13)	(9)
Net earnings (loss) - Common Shareholders	150	89	208	89	78	5	(121)	77	239	83	380
Items excluded from Base Earnings - post tax											
Actuarial assumption changes and other management actions	—	—	3	38	—	—	25	(2)	—	—	41
Market-related impacts on liabilities (<i>experience gains and losses and taxes</i>)	(1)	(2)	(1)	(1)	(5)	(12)	—	—	(3)	(17)	(19)
Transaction costs related to the acquisitions of Personal Capital and MassMutual (<i>management actions and other</i>)	(24)	(1)	(47)	(31)	—	—	—	—	(25)	—	(78)
Revaluation of deferred tax asset (<i>taxes</i>)	—	—	196	—	—	—	(199)	—	—	—	196
Restructuring and integration costs (<i>other</i>)	(15)	(12)	(33)	—	—	—	(36)	—	(27)	—	(33)
Items excluded from Base Earnings	(40)	(15)	118	6	(5)	(12)	(210)	(2)	(55)	(17)	107
Base Earnings	190	104	90	83	83	17	89	79	294	100	273

Putnam – Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	28	16	42	13	2	12	21	26	44	14	69
Impact of new business	(8)	(7)	(9)	(10)	(10)	(14)	(13)	(9)	(15)	(24)	(43)
Experience gains and losses	2	—	4	8	2	(10)	5	3	2	(8)	4
Management actions and changes in assumptions	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
Earnings on surplus (incl. financing charges)	(3)	(10)	(2)	12	32	(50)	(7)	(11)	(13)	(18)	(8)
Earnings (loss) before income taxes	19	(1)	35	23	26	(62)	6	9	18	(36)	22
Income taxes	(3)	6	(13)	(1)	1	18	13	5	3	19	5
Net earnings (loss) before non-controlling interests & preferred dividends	16	5	22	22	27	(44)	19	14	21	(17)	27
Non-controlling interests & preferred dividends	5	(8)	13	(9)	(15)	2	(1)	(1)	(3)	(13)	(9)
Net earnings (loss) - common shareholders	21	(3)	35	13	12	(42)	18	13	18	(30)	18

Europe – Consolidated Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	227	221	213	213	189	193	196	194	448	382	808
Impact of new business	(12)	(8)	3	(19)	(29)	(26)	(15)	15	(20)	(55)	(71)
Experience gains and losses	11	(6)	20	40	33	(152)	33	(61)	5	(119)	(59)
Management actions and changes in assumptions	48	22	83	120	56	45	30	167	70	101	304
Other	—	—	—	—	—	—	—	—	—	—	—
Earnings on surplus (incl. financing charges)	(8)	(18)	(16)	(20)	21	—	31	(6)	(26)	21	(15)
Earnings (loss) before income taxes	266	211	303	334	270	60	275	309	477	330	967
Income taxes	(75)	(11)	(46)	(12)	(11)	36	65	(21)	(86)	25	(33)
Net earnings (loss) before non-controlling interests & preferred dividends	191	200	257	322	259	96	340	288	391	355	934
Non-controlling interests & preferred dividends	(6)	(5)	(4)	(6)	(6)	(5)	(5)	(6)	(11)	(11)	(21)
Net earnings - Common Shareholders	185	195	253	316	253	91	335	282	380	344	913
Items excluded from Base Earnings - post tax											
Actuarial assumption changes and other management actions	41	18	78	22	50	38	19	149	59	88	188
Market-related impacts on liabilities (<i>experience gains and losses and taxes</i>)	(19)	(24)	(20)	18	24	(79)	(9)	(28)	(43)	(55)	(57)
Tax legislative changes impact on liabilities	(21)	—	—	—	—	—	—	—	(21)	—	—
Net gain/charge on business dispositions (<i>management actions</i>) ⁽¹⁾	—	—	—	94	—	—	8	—	—	—	94
Items excluded from Base Earnings	1	(6)	58	134	74	(41)	18	121	(5)	33	225
Base Earnings	184	201	195	182	179	132	317	161	385	311	688

⁽¹⁾ Net gain/charge on business dispositions includes:

- In Q3 2020, a net gain of \$94m on the sale of IPSI included in Europe Ireland business unit.
- In Q4 2019, a net gain of \$8m on the sale of heritage block of individual policies to Scottish Friendly included in the Europe Corporate business unit.

Capital and Risk Solutions – Consolidated Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	170	181	163	161	155	149	134	129	351	304	628
Impact of new business	3	(1)	(40)	9	4	(2)	53	(20)	2	2	(29)
Experience gains and losses	(13)	(29)	(6)	(7)	(7)	(57)	(31)	(24)	(42)	(64)	(77)
Management actions and changes in assumptions	1	—	42	(5)	26	2	(51)	(24)	1	28	65
Other	—	—	—	—	—	—	—	—	—	—	—
Earnings on surplus (incl. financing charges)	(6)	(5)	1	4	13	8	7	4	(11)	21	26
Earnings (loss) before income taxes	155	146	160	162	191	100	112	65	301	291	613
Income taxes	(3)	(1)	7	5	(4)	(7)	5	10	(4)	(11)	1
Net earnings (loss) before non-controlling interests & preferred dividends	152	145	167	167	187	93	117	75	297	280	614
Non-controlling interests & preferred dividends	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) - Common Shareholders	152	145	167	167	187	93	117	75	297	280	614
Items excluded from Base Earnings - post tax											
Actuarial assumption changes and other management actions	2	—	43	2	29	4	(40)	(11)	2	33	78
Market-related impacts on liabilities (<i>experience gains and losses and taxes</i>)	—	—	—	9	21	(30)	—	—	—	(9)	—
Items excluded from Base Earnings	2	—	43	11	50	(26)	(40)	(11)	2	24	78
Base Earnings	150	145	124	156	137	119	157	86	295	256	536

Corporate – Consolidated Source of Earnings

(CSMM)

	2021		2020				2019		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2021	2020	2020
Expected profit on in-force business	(5)	(5)	(4)	(4)	(5)	(5)	(4)	(4)	(10)	(10)	(18)
Impact of new business	—	—	—	—	—	—	—	—	—	—	—
Experience gains and losses	(19)	(1)	(7)	(2)	(2)	1	(2)	1	(20)	(1)	(10)
Management actions and changes in assumptions	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
Earnings on surplus (incl. financing charges)	(8)	(5)	(11)	(9)	(3)	7	(1)	(3)	(13)	4	(16)
Earnings (loss) before income taxes	(32)	(11)	(22)	(15)	(10)	3	(7)	(6)	(43)	(7)	(44)
Income taxes	41	2	6	3	2	(1)	1	2	43	1	10
Net earnings (loss) before non-controlling interests & preferred dividends	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Non-controlling interests & preferred dividends	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss) - Common Shareholders	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)
Base Earnings (loss)	9	(9)	(16)	(12)	(8)	2	(6)	(4)	—	(6)	(34)