

UPDATE

Advancing Inclusive Growth:

Impact, Inclusion, and Citizenship

December 2023

Introduction

ABOUT GREAT-WEST LIFECO INC.

Great-West Lifeco is a leading financial services firm with operations in Canada, the U.S., and Europe. Together, with our more than 30,000 employees, advisors, and associates, we serve 40 million customers with \$2.6 trillion assets under administration.

Our purpose is to help clients build stronger, more inclusive, and financially secure futures. Through the dedication of our team, and the financial products and services we offer through advisors and associates, we're helping more people achieve things that really matter in their lives.

This Impact, Inclusion, and Citizenship Update highlights the ways Lifeco is bringing our purpose to life and reflects the ongoing commitment of our operating companies to support business outcomes that provide value for our customers, colleagues, and communities.

At Great-West Lifeco, we've built our business around thinking generations ahead. Whether investing for long-term returns, operating in a sustainable way, or expanding the diverse perspectives that shape our company for the future, creating positive, lasting change is at the forefront of what we do.

A key ingredient in our success and shared impact has been our ability to adapt to a fast changing world as we responsibly move forward.

We're excited to work with colleagues, customers, and partners to continue advancing initiatives that help to make positive change in our communities. Building stronger, more inclusive, and financially secure futures, means working hard to thoughtfully develop and implement strategies in support of impact, inclusion, and citizenship across our organization.

We believe in sustainable business practices that drive long-term value creation for our clients, policy holders, shareholders and other stakeholders. In our investments business, we continue to drive returns through sustainable investment practices, including \$127 billion in ESG-related strategies managed by our asset management affiliates. Our companies are making positive progress on our goal to grow the representation of women and underrepresented groups in management roles to 50% and 25% respectively by 2030. And, since 2012, we've invested \$150 million to build capacity across the communities in which we operate.

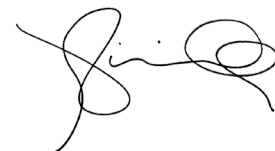
The very real and pressing challenges facing society are a reminder that working together over the long-term is the best way to achieve progress.

Everyone deserves the opportunity to thrive - regardless of where they begin, and a secure financial future is foundational to their success. This conviction guides the way we make decisions.

This update provides information on our continued commitment to creating positive change for our customers, people, and communities while attracting investors and other partners to join us in that mission for an even more inclusive future.



Raman Srivastava,
Executive Vice-President &
Global Chief Investment Officer



David Simmonds,
Senior Vice-President, Global Chief
Communications & Sustainability Officer

About Great-West Lifeco

GREAT-WEST LIFECO PURPOSE AND COMMITMENTS

Our purpose:

To build stronger, more inclusive, and financially secure futures. We're here for life.

Our commitments:

We are invested for the long-term, to achieve growth and create lasting value for our people, our customers, and our communities.



Partnering for Sustainable Financial Strength



Advancing Inclusive Growth



Building Better Financial Futures

OUR IMPACT JOURNEY

2013

Lifeco submits **first Carbon Disclosure Project (CDP)** response

2014

GWL Realty Advisors (GWLRA) publishes first **Global Reporting Institute (GRI)** annual review

2015

Lifeco adopts **first Board & Senior Management Diversity Policy**

GWLRA makes **first Global Real Estate Sustainability Benchmark (GRESB)** annual submission attaining **Green Star** ranking

2017

GWLRA **ranks 1st globally in its peer group** by GRESB

2018

Putnam Investments debuts **first sustainable funds**

Canada Life signs **Winnipeg Indigenous Accord**

2019

Lifeco publishes inaugural **Environmental, Social, Governance (ESG)** scorecard

Lifeco convenes **Sustainable Investment Council** chaired by Global CIO

2020

Lifeco becomes **official Task Force on Climate-related Financial Disclosures (TCFD)** supporter

2021

Lifeco sets goal to achieve **50% women in management** roles by 2030

Lifeco sets goal to achieve **25% underrepresented groups in management** roles by 2030

Lifeco sets **goal to achieve net zero GHG** emissions by 2050

Canada Life signs **BlackNorth Initiative**

Lifeco appoints **first Chief Sustainability Officer**

2022

Canada Life U.K. attains **A2 Moody's sustainability rating**

Lifeco submits **10th CDP report & receives A-**, marking the 6th time Lifeco scores an A- or higher

U.S. & Canadian employees given paid-day off to **recognize Juneteenth & National Day of Truth & Reconciliation**

“Our approach to business reflects our enduring commitment to building stronger, more inclusive financial futures. We're proud to be a company that continues to do our part - because it's both the right thing and the smart thing to do.”

Paul Mahon
President & Chief Executive Officer

Partnering for Sustainable Financial Strength

We approach progress with a focus on value creation.

We approach progress with a focus on value creation. As we work toward a more inclusive economy, we will remain actively engaged with all of our stakeholders. We pay attention to material environmental factors relevant to long-term economic performance. By staying engaged, we believe that we can continue on our path to make a meaningful contribution and incite positive change in the communities where we live and work.

We believe that working together with others, we can become more efficient and drive long-term value creation for our stakeholders, and help our world transition to a more sustainable future. That is why we are investing in a responsible transition. This includes supporting the companies we invest in as they act as responsible stewards of capital, drive value creation, and practice good governance.

INVESTING FOR TODAY AND TOMORROW

For us, investing for today and tomorrow is about making sound investment decisions that support progress against our goals and balance the needs of stakeholders today and into a more sustainable future. This important value of balance is reflected in how we will measure, track and disclose progress against our goals.



TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES



CDP* Score of A-

\$127 billion**

\$6.35+ billion

The top ranked North American life insurance company

in ESG-related strategies managed by Lifeco asset management affiliates

Invested*** in wind, solar, hydroelectric renewable energy projects

*CDP's (formerly known as Carbon Disclosure Project) annual environmental disclosure and scoring process is a widely recognized standard of corporate environmental transparency and action.

** ESG-related strategies managed by Lifeco asset management affiliates, as of December 31, 2022.

***This figure also includes environmentally-minded private equity investments such as a sustainable food and agriculture fund.

NET ZERO INTERIM GOALS*

Operations Goal:

40%

reduction in carbon emissions by 2030**

Investments Goal:

37%

reduction in carbon footprint by 2030**,***

Sub-asset class goals****:

Listed Corporate Bonds: **38%**

Listed Equities: **31%**

Commercial Real Estate: **43%**

* Our investment goals for 2030 have been established to reflect the reductions that our investee companies would need to make, to follow the pathways established by the International Energy Agency to limit global warming to 1.5 degrees Celsius.

** Interim goals are on a 2019 Baseline year for both operations, and investments in our General Account.

*** Carbon footprint is measured per million dollars invested (tCO₂e/\$m invested)

**** The Company's overall goal for its invested asset portfolio (in-scope assets) is built on sub-asset class goals including reductions in carbon footprint for listed corporate bonds of 38%, listed equities of 31% and commercial real estate of 43%.

Sub-asset class goals are indicative of the relative opportunity within each sub-asset class. Actual progress will be measured in aggregate against the overall 37% goal across all in-scope asset classes combined. The following asset classes are out-of-scope and excluded from the 37% goal: mortgages, sovereign debt, private debt and equity, and scope 3 emissions of issuers.

Advancing Inclusive Growth

Every person deserves the opportunity to thrive – regardless of where their journey begins.

That's why we believe in the principle of investing in a way that lifts all people and

communities, including those traditionally underserved. In doing so, we enable more people to participate in the economy and help them on their journey.

Creating a diverse and inclusive organization that reflects the communities we serve is critical to our success and to creating better financial futures for all.

Our commitment to inclusion starts with our colleagues. That is why we set representation objectives within our organization and have engaged in key diversity initiatives. This commitment and these goals reflect our focus on real progress by providing support and opportunities to foster a more diverse and inclusive team.

Our Goal:

Grow representation of women in management roles to **50%** across our business segments by 2030.

Our Progress:

41%*

Our Goal:

Increase the number of individuals from underrepresented groups in management roles to **25%** by 2030.

Our Progress:

20%*,**

LEARNING FROM OUR DIVERSE COMMUNITIES

We recognize that the diversity of our communities helps make us stronger. That is why we're committed to participate, listen, and learn from the often-underrepresented voices. It is also why we've established Employee and Business Resource Groups, including those focused on:

- Persons with Disabilities
- Women
- Black and People of Colour (BPOC)
- Young Professionals
- Indigenous Peoples***
- 2SLGBTQ+
- Military Veterans****

OBSERVING A NATIONAL DAY FOR TRUTH AND RECONCILIATION

As a company with strong Canadian roots, we recognize our responsibility to Canada's First Peoples and our role in the commitment to Truth and Reconciliation. It is why we became a founding signatory to the Winnipeg Indigenous Accord. In response to the Truth and Reconciliation Commission's Calls to Actions, we have also provided employees with a paid day away from work, dedicated to participate in learning and reconciliation activities on the National Day for Truth and Reconciliation.

OBSERVING JUNETEENTH IN THE USA

Our U.S. companies, Empower and Putnam Investments recognize Juneteenth as a company holiday and close their U.S. operations. Throughout the year, Empower's Black Organization for Leadership & Development (BOLD) provides educational resources and inspiring speakers on a variety of topics, including to honor the history, culture, and contributions of Black and African American people.

* as of Dec 31, 2022; updated annually

** Representation of underrepresented groups includes North American-based employees only

*** Indigenous Peoples Employee Resource Group is in Canada

****Veterans BRG is in the U.S. only.

Creating Inclusive Communities

Over the past 10 years, we've contributed more than \$150 million to communities across Canada, the U.S., and Europe.

From reforestation by tree planting to blood donation to helping secure emergency aid after crisis and natural disasters, we've been there. And we will continue to be there. Together, we're making a positive difference for our people, our customers, our communities, and our world.

CIRCLE OF FRIENDS INDIGENOUS STUDENT MENTORSHIP PROGRAM

Canada Life is supporting Indigenous learners through a new mentorship program to help them meet their goals. The Circle of Friends Indigenous Student Mentorship Program, supported by Canada Life, will provide guidance to Indigenous learners as they navigate post-secondary experiences and into the early weeks of employment.

U.K. WORKPLACE CAMPAIGN SUPPORTS WOMEN MOVING THROUGH MENOPAUSE

Canada Life signed the U.K. Workplace Menopause Pledge to help support gender diversity and raise awareness about menopause in the workplace. We also launched a menopause toolkit and provided employees with access to the Peppy support app, which provides a broad range of support for those moving through menopause.

IRISH LIFE DUBLIN MARATHON

The Irish Life Dublin Marathon and Summer of Running Series are Ireland's biggest participation sporting events, with over 45,000 people taking part, contributing over €26 million annually to Dublin city and an estimated €9 million for charity. Irish Life Staff running and volunteering at the event raised over €100,000 this year for our two staff charity partners.

GIVING BACK IN OUR COMMUNITIES

In 2022, Empower's associates across the U.S. volunteered thousands of hours in their communities. Through their volunteer activities and donations, over 1,700 charitable organizations received support. Further, 35% of the corporate sponsorship recipients serve under-resourced communities.

“Diverse and inclusive teams perform better, are more engaged, and lead to better decision-making. We continue to invest in building a robust pipeline of diverse talent, as we strive to build products, deliver better service, and be an even better company.”

Grace Palombo
Global Chief Human Resources Officer

LOOKING AHEAD

Our commitment to impact, inclusion, and citizenship continues to be a core component of how we do business.

We will continue to invest for the long-term, to foster growth, and create lasting value for our people, our customers, and our communities. Whether it be investing in ways to reduce carbon emissions, career and growth opportunities for diverse groups, or investments that build communities, we will continue to focus on delivering financial solutions that make a positive impact today and for the generations ahead.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND SUSTAINABILITY DISCLOSURE

This update contains forward-looking information. Forward-looking information includes statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “will”, “intends”, “plans”, “believes”, “objective”, “target”, “commitment”, “goal”, “ambition” and other similar expressions. Certain forward-looking statements in this update relate to Great-West Lifeco Inc.’s (“our” or the “Company’s”) climate-related and diversity-related measures, goals, objectives, priorities, ambitions, strategies and commitments or actions that will be taken to achieve them. The climate-related statements include statements with respect to achieving net-zero GHG emissions for its operating and financing activities by 2050, the Company’s initial interim net zero goals for operations and investments, the Company’s plan to review and revise initial interim net zero goals as appropriate, the causes and potential impacts of climate change globally, and the Company’s approach to identifying and managing climate-related risks and opportunities. The diversity-related statements include statements with respect to growing representation of women and underrepresented groups in management. The forward-looking information in this update is presented for the purpose of assisting our stakeholders in understanding how we currently intend to address climate-related and diversity-related governance, strategy, risks, opportunities, and objectives, and is not appropriate for other purposes.

Forward-looking statements are based on expectations, forecasts, estimates, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to risks, uncertainties and assumptions. Any goals, objectives, ambitions, commitments or targets discussed here, including but not limited to the Company’s net-zero related goals (including interim net zero goals) and diversity-related measures, are aspirational. They may need to change or be recalibrated as data improve and as climate science, regulatory requirements and market practices regarding standards, methodologies, metrics and measurements evolve. Our climate risk analysis and net-zero strategy remain under development, and the data underlying our analysis and strategy remain subject to evolution over time and the scope of assets to be included in our 2050 net zero related goals remains under review. We are also continuing to develop our diversity-related data. There is a strong possibility that our expectations, forecasts, estimates, predictions and conclusions may not prove to be accurate and our assumptions may prove to be incorrect, and there is a material risk we will not achieve our climate-related and diversity-related

goals, objectives, ambitions, strategies and commitments. In addition, many of the assumptions, standards, metrics and measurements used in preparing these forward-looking statements are not audited or independently verified, have limited comparability and continue to evolve.

Our goals, objectives, priorities, ambitions, commitments and targets may also need to change or be recalibrated to meet our other strategic objectives and the reasonable expectations of our stakeholders, including expectations around financial performance. As a financial services company, our primary purpose is to provide our clients and customers with solutions to meet their financial security needs and to deliver on the promises we make to them. Our ability to fulfil this corporate purpose depends in large part on effective and responsible capital allocation and the ability to create value within the boundaries of our stakeholders’ expectations, including expectations around financial performance. The path to achieving net zero and our climate-related objectives will require significant investment, resources, systems and technologies by third parties we do not control. Faced with a wide range of stakeholder interests, we will need to effectively manage trade-offs and make choices about how to deploy financial and human capital. These choices could include prioritizing other strategic objectives over our climate-related goals in pursuit of fulfilling our primary purpose, delivering value to our stakeholders and meeting expectations around financial performance. As our business, our industry and climate science evolve over time, we may need to adjust our climate-related goals and our approach to meeting them. We will also need to remain thoughtful about the regulatory and business environment of the jurisdictions in which we operate, as our ability to achieve our climate goals is contingent on the success of our partners and communities.

We caution readers not to place undue reliance on forward-looking statements because numerous factors (many of which are beyond the control of the Company) may cause actual results to differ materially from those expressed or implied by forward-looking information and impact the Company’s ability to achieve its climate-related and diversity-related goals, objectives, priorities, ambitions, strategies and targets. These factors include, without limitation, the transition to a low-carbon economy, the need for more and better climate data and standardization of climate-related measurement methodologies, our ability to gather and verify data, our ability to develop indicators to effectively monitor our advancements and assess and

manage climate-related risks, the need for active and continued action by stakeholders (including governmental and non-governmental organizations, our counterparties and other businesses and individuals), trade-offs and choices we make that prioritize other strategic objectives and financial performance over our climate-related objectives, the ability of clients, regulators and suppliers to meet and report on their publicly stated emissions and commitments, the viability of third-party decarbonization scenarios, the availability of carbon offset and renewable energy instruments on economically feasible terms, compliance with our policies and procedures, our ability to recruit and retain key personnel in a competitive environment for talent, technological advancements, the evolution of consumer behaviour, varying decarbonization efforts across economies, the challenges of balancing emission reduction objectives with an orderly, just and inclusive transition and geopolitical factors that impact global energy needs, the legal and regulatory environment, and regulatory compliance considerations. In relation to our climate-related goals, objectives, priorities, ambitions, strategies and targets, there are limitations and uncertainties inherent in climate science, climate risk analysis and reporting. The Company has made good faith approximations and assumptions in establishing its interim Scope 1 and 2 reduction goals and initial reduction goals for Scope 3 financed emissions. However, there are many factors that are the subject of ongoing climate science and that we cannot foresee or accurately predict which will impact our ability to achieve those objectives.

The above list of assumptions and factors is not exhaustive, and there may be other assumptions and factors listed in the Company’s filings with securities regulators, including in the Company’s 2023 Annual MD&A under “Risk Management and Control Practices” and “Summary of Critical Accounting Estimates” and in the Company’s annual information form dated February 14, 2024 under “Risk Factors”, which, along with other filings, is available for review at www.sedarplus.com. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking information.

Other than as specifically required by applicable law, the Company does not intend to update any forward-looking information whether as a result of new information, future events or otherwise.

GREAT-WEST
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