GREAT-WEST LIFECO INC.

RELEASE

TSX:GWO

This earnings news release for Great-West Lifeco Inc. should be read in conjunction with the Company's Management's Discussion & Analysis (MD&A) and Consolidated Annual Financial Statements for the period ended December 31, 2020, prepared in accordance with International Financial Reporting Standards (IFRS) unless otherwise noted. These reports are available on greatwestlifeco.com under Financial Reports. Additional information relating to Lifeco is available on sedar.com. Readers are referred to the cautionary notes regarding Forward-Looking Information and Non-IFRS Financial Measures at the end of this release. All figures are expressed in Canadian dollars, unless otherwise noted.

Great-West Lifeco reports fourth quarter 2020 base earnings of $741 million and net earnings of $912 million

Winnipeg, February 10, 2021 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced its fourth quarter 2020 results.

"We are pleased that Lifeco saw a strong close to the year, with excellent progress on integrating acquired businesses and advancing other strategic initiatives undertaken throughout the year. We consider this to be a strong performance especially considering the pandemic's ongoing impact," said Paul Mahon, President and CEO of Great-West Lifeco Inc. "Looking ahead, we will continue to focus on capitalizing on the investments made in our businesses and driving value creation."

Net earnings attributable to common shareholders (net earnings) were $912 million, or $0.98 per common share (EPS), for the fourth quarter of 2020 compared to $513 million, or $0.55 per common share, for the same quarter last year. Base earnings for the fourth quarter of 2020 of $741 million, or $0.80 per common share, compared to $831 million or $0.90 per common share a year ago.

Common Shareholders	Q4 2020	Q4 2019
Base earnings[1]		
Canada	$348	$274
United States	90	89
Europe	195	317
Capital and Risk Solutions	124	157
Lifeco Corporate	(16)	(6)
Total base earnings[1]	**$741**	**$831**
Items excluded from base earnings[2]	**171**	**(318)**
Net earnings	**$912**	**$513**
Base EPS[1]	**$0.80**	**$0.90**
Net EPS	**$0.98**	**$0.55**
Base return on equity[1][3]	**12.8%**	**13.4%**
Return on equity[1][3]	**14.1%**	**11.7%**

[1]Represents a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of the Company's 2020 Annual MD&A for additional details.

[2]Items excluded from base earnings are actuarial assumption changes and other management actions, market-related impacts on liabilities, the net gain on the sale of GLC, transaction, restructuring and integration costs related to the acquisitions of Personal Capital Corporation and the retirement services business of MassMutual as well as strategic initiatives in the Canadian segment, revaluation of a previously de-recognized deferred tax asset and a net gain on the sale of heritage block of individual policies to Scottish Friendly. Refer to the "Non-IFRS Financial Measures" section of the Company's 2020 Annual MD&A for additional details.

[3]Base return on equity and return on equity are calculated using the trailing four quarters of applicable earnings and common shareholders' equity.

Base EPS for the fourth quarter of 2020 of $0.80 was lower than the prior year primarily due to the resolution of an outstanding issue with a foreign tax authority in the Europe segment which positively impacted fourth quarter 2019 base EPS by $0.13.

Reported net EPS for the fourth quarter of 2020 was $0.98, up from $0.55 in 2019. The increase was primarily due to the positive impact of the revaluation of a deferred tax asset of $196 million in the U.S. segment and a net gain of $143 million related to the sale of GLC Asset Management Group Ltd. (GLC). These items were partially offset by transaction, restructuring and integration costs of $114 million related to acquisitions in the U.S. as well as strategic initiatives in the Canada segment. Net earnings in the fourth quarter of 2019 included the negative impact of the de-recognition of a deferred tax asset of $199 million in the U.S. segment.

Highlights – In Quarter

Key strategic transactions advanced in quarter

- On December 31, 2020, the Company's subsidiary, Great-West Life & Annuity, through its Empower Retirement business, completed the acquisition of the retirement services business of Massachusetts Mutual Life Insurance Company (MassMutual) for US$2.3 billion, strengthening Empower Retirement's position as the second largest retirement services provider in the U.S. based on assets under administration and number of retirement plan participants. Empower Retirement anticipates realizing cost and revenue synergies as it integrates the business over the next two years.
- On December 31, 2020, the Company completed the sale of GLC to Mackenzie Financial Corporation (Mackenzie), an affiliate of the Company. GLC was a wholly-owned subsidiary of Canada Life whose principal activity was the provision of investment management services to Canada Life. This transaction provides the Company with access to greater scale and more investment capabilities.
- As part of the GLC transaction, the Company also established its own mutual fund manager in Canada, Canada Life Investment Management Ltd. (CLIML) and on December 31, 2020, CLIML assumed fund management responsibilities for the Canada Life Mutual Funds, offered by Quadrus Investment Services Ltd., a subsidiary of Canada Life, and other Canada Life branded investment funds offered in Canada. CLIML allows the Canadian business to directly control its product shelf and its pricing, while still leveraging Mackenzie for asset management and fund administration.

Capital strength and financial flexibility maintained

- The Company's capital position remained strong at December 31, 2020, with a LICAT Ratio for Canada Life, Lifeco's major Canadian operating subsidiary, of 129% which is above the Company's internal target range and the supervisory target.

Consolidated assets under administration of $2.0 trillion

- Assets under administration were $2.0 trillion at December 31, 2020, an increase of 21% from December 31, 2019 primarily due to the MassMutual transaction.

Recognized as a leader in carbon and climate risk management, philanthropy, and community service

- The Company earned an A ('Leadership') rating on CDP's 2020 Climate Change Questionnaire, a rating which identifies the global leaders in the management of carbon, climate change risks and low carbon opportunities. The Company achieved the highest rating among Canadian insurance companies for the sixth consecutive year.

SEGMENTED OPERATING RESULTS

For reporting purposes, Lifeco's consolidated operating results are grouped into five reportable segments – Canada, United States, Europe, Capital and Risk Solutions and Lifeco Corporate – reflecting the management and corporate structure of the Company. For more information, refer to the Company's 2020 Annual Management's Discussion and Analysis (MD&A).

CANADA

- **Q4 Canada segment base earnings of $348 million and net earnings of $300 million** – Base earnings for the fourth quarter of 2020 were $348 million compared to $274 million in the fourth quarter of 2019, an increase of 27%. The increase was primarily due to favourable morbidity experience in Group Customer and impact of new business in Individual Customer, partially offset by lower contributions from investment experience. Net earnings for the fourth quarter of 2020 were $300 million, up from $188 million in the fourth quarter of 2019, primarily due to the same reasons discussed for base earnings and a gain on the sale of GLC of $143 million, partially offset by unfavourable impact of insurance contract liability basis changes and restructuring costs related to strategic initiatives.
- **Continuing to deliver market-leading solutions to Canadians** – For Group customers in Canada, Canada Life has launched all-digital portable benefits now accessible to over 1.5 million plan members and has started to roll-out My Canada Life at Work, a fully integrated experience across wealth and insurance solutions. For Individual customers, the Company continues to enhance its wealth management product offerings including updating its target risk asset allocation funds and launching new Risk-Managed Portfolios during the fourth quarter of 2020.

UNITED STATES

- **Q4 U.S. Financial Services base earnings of US$49 million and net earnings of US$47 million** – U.S. Financial Services (primarily Empower Retirement) base earnings for the fourth quarter of 2020 were US$49 million, or US$56 million excluding the net loss of US$7 million from the Personal Capital business comparable to US$57 million in the fourth quarter of 2019. In the fourth quarter of 2020, lower contributions from investment experience were mostly offset by net business growth. Net earnings for the fourth quarter of 2020 were US$47 million, down from US$76 million in the fourth quarter of 2019, primarily due to a valuation adjustment on an employee pension plan that positively impacted the fourth quarter of 2019 and did not recur.
- **Empower Retirement participants up 27%** – Empower Retirement participants of 11.9 million at December 31, 2020 grew 27% from 9.4 million participants at December 31, 2019. Assets under administration grew 42% over the year to US$958 billion on December 31, 2020. The increases include the addition of the MassMutual retirement services business which contributed 2.5 million participants and US$190 billion in assets under administration.
- **Q4 Putnam net earnings of US$26 million** – Putnam net earnings for the fourth quarter of 2020 were US$26 million up from US$13 million in the fourth quarter of 2019. The increase was primarily due to higher performance fee income and higher net investment income. For Putnam, there were no differences between net and base earnings.
- **Putnam sales up 7%** – Putnam sales for the fourth quarter of 2020 were US$13 billion, a 7% increase from US$12.1 billion in the fourth quarter of 2019, reflecting strong institutional sales. Sales for the year ended December 31, 2020 were US$57 billion, an increase of 31%, compared to 2019 reflecting strong investment performance driving institutional sales. Putnam continues to sustain strong investment performance relative to its peers. As of December 31, 2020, approximately 76% and 91% of Putnam's fund assets performed at levels above the Lipper median on a three-year and five-year basis, respectively.

- **Revaluation of U.S. deferred income tax asset** – During the fourth quarter of 2020, management revised its estimates of future taxable profits to reflect the impact of the completion of U.S. acquisitions in 2020 and, as a result, recognized a US$151 million deferred tax asset that had previously been de-recognized in 2019.

EUROPE

- **Q4 Europe segment base earnings of $195 million and net earnings of $253 million** – Base earnings for the fourth quarter of 2020 were $195 million compared to $317 million in the fourth quarter of 2019. The decrease was primarily due to the $122 million positive impact of the resolution of an outstanding issue with a foreign tax authority in the fourth quarter of 2019. Unfavourable group mortality experience in the current quarter was mostly offset by higher impact of new business and favourable morbidity and longevity experience. Net earnings for the fourth quarter of 2020 were $253 million, down from $335 million in the fourth quarter of 2019, primarily due to the same reasons discussed for base earnings partially offset by higher contributions from insurance contract liability basis changes.

CAPITAL AND RISK SOLUTIONS

- **Q4 Capital and Risk Solutions segment base earnings of $124 million and net earnings of $167 million** – Base earnings for the fourth quarter of 2020 were $124 million, compared to $157 million in the fourth quarter of 2019. The year over year decrease primarily reflects new business strain in fourth quarter of 2020 compared to new business gains in the fourth quarter of 2019. The results in the fourth quarter of 2020 also reflected unfavourable life claims experience that was partially offset by favourable longevity experience. Net earnings for the fourth quarter of 2020 of $167 million, increased from $117 million in the fourth quarter of 2019, primarily due to the same reasons discussed for base earnings as well as higher contributions from insurance contract liability basis changes.
- **£3 billion longevity reinsurance agreement entered into during Q4** – On December 15, 2020, the Reinsurance business unit announced it had entered into a long-term longevity reinsurance agreement with an insurance company in the U.K. The agreement covers approximately £3 billion of pension liabilities and approximately 7,500 in-payment pensioners.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of $0.438 per share on the common shares of Lifeco payable March 31, 2021 to shareholders of record at the close of business March 3, 2021.

In addition, the Directors approved quarterly dividends on Lifeco's preferred shares, as follows:

First Preferred Shares	Record Date	Payment Date	Amount, per share
Series F	March 3, 2021	March 31, 2021	$0.36875
Series G	March 3, 2021	March 31, 2021	$0.3250
Series H	March 3, 2021	March 31, 2021	$0.30313
Series I	March 3, 2021	March 31, 2021	$0.28125
Series L	March 3, 2021	March 31, 2021	$0.353125
Series M	March 3, 2021	March 31, 2021	$0.3625
Series N	March 3, 2021	March 31, 2021	$0.109313
Series P	March 3, 2021	March 31, 2021	$0.3375
Series Q	March 3, 2021	March 31, 2021	$0.321875
Series R	March 3, 2021	March 31, 2021	$0.3000
Series S	March 3, 2021	March 31, 2021	$0.328125
Series T	March 3, 2021	March 31, 2021	$0.321875

For purposes of the Income Tax Act (Canada), and any similar provincial legislation, the dividends referred to above are eligible dividends.

Selected financial information is attached.

GREAT-WEST LIFECO INC.

Great-West Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. We operate in Canada, the United States and Europe under the brands Canada Life, Empower Retirement, Putnam Investments, and Irish Life. At the end of 2020, our companies had approximately 24,500 employees, 205,000 advisor relationships, and thousands of distribution partners – all serving our more than 30 million customer relationships across these regions.

Great-West Lifeco and its companies have approximately $2.0 trillion in consolidated assets under administration as at December 31, 2020 and are members of the Power Corporation group of companies. Great-West Lifeco trades on the Toronto Stock Exchange (TSX) under the ticker symbol GWO. To learn more, visit greatwestlifeco.com.

Basis of presentation

The annual consolidated financial statements of Lifeco have been prepared in accordance with International Financial Reporting Standards (IFRS) unless otherwise noted and are the basis for the figures presented in this release, unless otherwise noted.

Cautionary note regarding Forward-Looking Information

This release may contain forward-looking information. Forward-looking information includes statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "will", "may", "expects", "anticipates", "intends", "plans", "believes", "estimates", "objective", "target", "potential" and other similar expressions or negative versions thereof. These statements include, without limitation, statements about the Company's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, anticipated global economic conditions and possible future actions by the Company, including statements made with respect to the expected cost (including deferred consideration), benefits, timing of integration activities and revenue and expense synergies of acquisitions and divestitures, including the recent acquisitions of Personal Capital Corporation (Personal Capital) and the retirement services business of Massachusetts Mutual Life Insurance Company (MassMutual), expected capital management activities and use of capital, expected dividend levels, expected cost reductions and savings, expected expenditures or investments)including but limited to investment in technology infrastructure and digital capabilities), the impact of regulatory developments on the Company's business strategy and growth objectives, the expected impact of the current pandemic health event resulting from the novel coronavirus ("COVID-19") and related economic and market impacts on the Company's business operations, financial results and financial condition.

Forward-looking statements are based on expectations, forecasts, estimates, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance, mutual fund and retirement solutions industries. They are not guarantees of future performance, and the reader is cautioned that actual events and results could differ materially from those expressed or implied by forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance that they will prove to be correct. Whether or not actual results differ from forward-looking information may depend on numerous factors,

developments and assumptions, including, without limitation, the severity, magnitude and impact of the novel coronavirus (COVID-19) pandemic (including the effects of the COVID-19 pandemic and the effects of governments' and other businesses' responses to the COVID-19 pandemic on the economy and the Company's financial results, financial condition and operations), assumptions around sales, fee rates, asset breakdowns, lapses, plan contributions, redemptions and market returns, the ability to integrate the acquisitions of Personal Capital and the retirement services business of MassMutual, the ability to leverage Empower Retirement's, Personal Capital's and MassMutual's retirement services businesses and achieve anticipated synergies, customer behaviour (including customer response to new products), the Company's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy and plan lapse rates, participant net contribution, reinsurance arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets (including continued access to equity and debt markets), industry sector and individual debt issuers' financial conditions (including developments and volatility arising from the COVID-19 pandemic, particularly in certain industries that may comprise part of the Company's investment portfolio), the United Kingdom's exit ("Brexit") from the European Union, business competition, impairments of goodwill and other intangible assets, the Company's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber attacks), payments required under investment products, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third party service providers, the Company's ability to complete strategic transactions and integrate acquisitions, unplanned material changes to the Company's facilities, customer and employee relations or credit arrangements, levels of administrative and operational efficiencies, changes in trade organizations, and other general economic, political and market factors in North America and internationally.

The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out in the Company’s 2020 Annual Management’s Discussion and Analysis under "Risk Management and Control Practices" and "Summary of Critical Accounting Estimates" and in the Company's annual information form dated February 10, 2021 under "Risk Factors", which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking information.

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

Cautionary note regarding Non-IFRS Financial Measures

This release 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 (loss) (US$)", "base earnings per common share", "return on equity", "base return on equity", "constant currency basis", "impact of currency movement", "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. Refer to the "Non-IFRS Financial Measures" section in the Company's 2020 Annual 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.

Fourth Quarter Conference Call

Lifeco's fourth quarter conference call and audio webcast will be held February 11, 2021 at 3:30 p.m. (ET). The call and webcast can be accessed through greatwestlifeco.com/news-events/events or by phone at:

- Participants in the Toronto area: 416-915-3239
- Participants from North America: 1-800-319-4610

A replay of the call will be available from February 12 to March 12, 2021 and can be accessed by calling 1-855-669-9658 or 604-674-8052 (passcode: 5899#). The archived webcast will be available on greatwestlifeco.com.

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FINANCIAL HIGHLIGHTS *(unaudited)*

(in Canadian $ millions except per share amounts)

	As at or for the three months ended			For the twelve months ended	
	Dec. 31 2020	Sept. 30 2020	Dec. 31 2019	**Dec. 31 2020**	Dec. 31 2019
Earnings					
Base earnings[1][2]	**$ 741**	$ 679	$ 831	**$ 2,669**	$ 2,704
Net earnings - common shareholders	**912**	826	513	**2,943**	2,359
Per common share					
Basic:					
Base earnings[1][2]	**0.799**	0.732	0.895	**2.878**	2.859
Net earnings	**0.983**	0.891	0.552	**3.173**	2.494
Diluted net earnings	**0.983**	0.891	0.552	**3.172**	2.493
Dividends paid	**0.438**	0.438	0.413	**1.752**	1.652
Book value	**22.97**	22.57	21.53		
Base return on equity[1][2][3]	**12.8 %**	13.5 %	13.4 %		
Return on equity[1][3]	**14.1 %**	12.4 %	11.7 %		
Total premiums and deposits[1][5]	**$ 40,831**	$ 40,903	$ 39,096	**$ 171,345**	$ 150,638
Fee and other income	**1,569**	1,486	1,515	**5,902**	7,081
Net policyholder benefits, dividends and experience refunds	**9,916**	9,155	10,003	**38,159**	36,415
Total assets per financial statements	**$ 600,490**	$ 473,737	$ 451,167		
Proprietary mutual funds and institutional assets[1]	**350,943**	341,436	320,548		
Total assets under management[1]	**951,433**	815,173	771,715		
Other assets under administration[1]	**1,024,414**	845,862	857,966		
Total assets under administration[1]	**$ 1,975,847**	$ 1,661,035	$ 1,629,681		
Total equity	**$ 27,015**	$ 26,648	$ 25,543		
The Canada Life Assurance Company consolidated LICAT Ratio[4]	**129 %**	131 %	135 %		

(1) This metric is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of the Company's December 31, 2020 Management's Discussion and Analysis for additional details.

(2) Effective the first quarter of 2020, the Company introduced an enhanced non-IFRS earnings measure. 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 and integration costs, material legal settlements, material impairment charges related to goodwill and intangible assets, legislative tax changes and other tax impairments, and gains or losses related to the disposition of a business.

(3) Refer to the "Return on Equity" section of the Company's December 31, 2020 Management's Discussion and Analysis for additional details.

(4) The Life Insurance Capital Adequacy Test (LICAT) ratio is based on the consolidated results of The Canada Life Assurance Company (Canada Life), Lifeco's major Canadian operating subsidiary. Refer to the "Capital Management and Adequacy" section of the Company's December 31, 2020 Management's Discussion and Analysis for additional details.

(5) Comparative figures have been reclassified to reflect presentation adjustments.

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Base earnings[1] and Net earnings - common shareholders

	For the three months ended			For the twelve months ended	
	Dec. 31 2020	Sept. 30 2020	Dec. 31 2019	**Dec. 31 2020**	Dec. 31 2019
Base earnings (loss)[1]					
Canada	**$ 348**	$ 270	$ 274	**$ 1,206**	$ 1,178
United States	**90**	83	89	**273**	350
Europe	**195**	182	317	**688**	796
Capital and Risk Solutions	**124**	156	157	**536**	401
Lifeco Corporate	**(16)**	(12)	(6)	**(34)**	(21)
Lifeco base earnings[1]	**$ 741**	$ 679	$ 831	**$ 2,669**	$ 2,704
Items excluded from base earnings[2]					
Actuarial assumption changes and other management actions[2]	**$ (23)**	$ 66	$ (78)	**$ 113**	$ 170
Market-related impacts on liabilities[2]	**(31)**	18	(13)	**(127)**	(89)
Net gain/charge on business dispositions[2]	**143**	94	8	**237**	(191)
Transaction costs related to the acquisitions of Personal Capital and MassMutual[2]	**(47)**	(31)	—	**(78)**	—
Revaluation of a deferred tax asset[2]	**196**	—	(199)	**196**	(199)
Restructuring and integration costs[2]	**(67)**	—	(36)	**(67)**	(36)
Items excluded from Lifeco base earnings[2]	**$ 171**	$ 147	$ (318)	**$ 274**	$ (345)
Net earnings (loss) - common shareholders					
Canada	**$ 300**	$ 266	$ 188	**$ 1,070**	$ 1,051
United States	**208**	89	(121)	**380**	(61)
Europe	**253**	316	335	**913**	1,004
Capital and Risk Solutions	**167**	167	117	**614**	386
Lifeco Corporate	**(16)**	(12)	(6)	**(34)**	(21)
Lifeco net earnings - common shareholders	**$ 912**	$ 826	$ 513	**$ 2,943**	$ 2,359

(1) This metric is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of of the Company's December 31, 2020 Management's Discussion and Analysis for additional details.

(2) Items excluded from base earnings, a non-IFRS measure. Refer to the 'Non-IFRS Financial Measures" section of of the Company's December 31, 2020 Management's Discussion and Analysis for additional details.