

This earnings news release for Great-West Lifeco Inc. should be read in conjunction with the Company's interim Management's Discussion & Analysis (MD&A) and condensed consolidated interim unaudited Financial Statements for the period ended March 31, 2021, 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 first quarter 2021 base earnings of \$739 million and net earnings of \$707 million

Winnipeg, May 5, 2021 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced its first quarter 2021 results.

"Great-West Lifeco reported a solid first quarter to begin the fiscal year, driven by strong results across segments. The Company has continued to demonstrate solid growth as the impacts of the COVID-19 pandemic have moderated. While increasing levels of vaccination are benefiting our businesses and the economies where we operate, our hearts go out to those countries, including India, where the recent wave is causing so much harm," said Paul Mahon, President and CEO of Great-West Lifeco Inc. "We're pleased that our recently acquired businesses are performing well, and integration activities are on track, while our global businesses' momentum and sales pipelines remain strong."

Net earnings attributable to common shareholders (net earnings) were \$707 million, or \$0.76 per common share (EPS), for the first quarter of 2021 compared to \$342 million, or \$0.37 per common share, for the same quarter last year. Base earnings for the first quarter of 2021 of \$739 million, or \$0.80 per common share, compared to \$543 million or \$0.59 per common share a year ago.

Common Shareholders	Q1 2021	Q1 2020
Base earnings⁽¹⁾		
Canada	\$298	\$273
United States	104	17
Europe	201	132
Capital and Risk Solutions	145	119
Lifeco Corporate	(9)	2
Total base earnings⁽¹⁾	\$739	\$543
Items excluded from base earnings⁽²⁾	(32)	(201)
Net earnings	\$707	\$342
Base EPS⁽¹⁾	\$0.80	\$0.59
Net EPS	\$0.76	\$0.37
Base return on equity⁽¹⁾⁽³⁾	13.6%	13.5%
Return on equity⁽¹⁾⁽³⁾	15.7%	10.3%

⁽¹⁾ Represents a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of the Company's first quarter of 2021 interim MD&A for additional details.

⁽²⁾ Items excluded from base earnings are actuarial assumption changes and other management actions, market-related impacts on liabilities, restructuring and integration costs related to the acquisitions of Personal Capital Corporation and the retirement services business of MassMutual. Refer to the "Non-IFRS Financial Measures" section of the Company's first quarter of 2021 interim 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 first quarter of 2021 of \$0.80, increased by 36% from \$0.59 a year ago primarily due to MassMutual business related base earnings of \$48 million (US\$38 million), business growth in the Capital and Risk Solutions segment as well as the impact of higher equity market levels in most jurisdictions. The Company acquired the retirement services business of Massachusetts Mutual Life Insurance Company (MassMutual) on December 31, 2020.

Reported net EPS for the first quarter of 2021 was \$0.76, up from \$0.37 in 2020. The increase was primarily due to an increase in base earnings as well as the impact of more favourable market conditions. Net earnings in the first quarter of 2020 reflected the impacts of significant market declines and volatility driven by the onset of the COVID-19 pandemic during that period.

Highlights – In Quarter

Key strategic transactions advanced in quarter

- Annualized run rate cost synergies of US\$40 million pre-tax have been achieved as of March 31, 2021 related to the Company's acquisition of MassMutual's retirement services business. The Company remains on track to achieve annualized run rate cost synergies of US\$160 million pre-tax at the end of integration in 2022.

Consolidated assets under administration of \$2.1 trillion

- Assets under administration were \$2.1 trillion at March 31, 2021, an increase of 5% from December 31, 2020 primarily due to the impact of equity market movement and new business growth, partially offset by the impact of currency movement.

Capital strength and financial flexibility maintained

- The Company's capital position remained strong at March 31, 2021, with a LICAT Ratio for Canada Life, Lifeco's major Canadian operating subsidiary, of 123% which is above the Company's internal target range and the supervisory target.

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 first quarter of 2021 interim Management's Discussion and Analysis (MD&A).

CANADA

- **Q1 Canada segment base earnings of \$298 million and net earnings of \$287 million** – Base earnings for the first quarter of 2021 were \$298 million compared to \$273 million in the first quarter of 2020, an increase of 9%. The increase was primarily due to favourable morbidity experience in Group Customer and favourable impact of new business in Individual Customer, partially offset by lower contributions from investment experience. Net earnings for the first quarter of 2021 were \$287 million, up from \$151 million in the first quarter of 2020, primarily due to the significant market declines and volatility experienced during the first quarter of 2020 at the onset of the COVID-19 pandemic.
- **Continuing to deliver market-leading solutions to Canadians** – On April 5, 2021, Canada Life launched My Term, a new customizable life insurance product that allows our customers in Canada to choose the coverage option that works best for them. The Company also began providing HumanisRx's MedCheckUp program to customers who are receiving disability benefits and have complex or unique medication needs. Canada Life is the first national insurer in Canada to offer medication reviews for disability.

UNITED STATES

- **Q1 U.S. Financial Services base earnings of US\$84 million and net earnings of US\$74 million** – U.S. Financial Services (primarily Empower Retirement) base earnings for the first quarter of 2021 were US\$84 million, up from US\$42 million in the first quarter of 2020. The increase was primarily due to MassMutual related base earnings of US\$38 million, net business growth, driven by higher average equity markets and an increase in participants, and higher contributions from investment experience. These items were partially offset by a Personal Capital related base loss of US\$11 million. Net earnings for the first quarter of 2021 were US\$74 million, up from US\$33 million in the first quarter of 2020, primarily due to the same reasons discussed for base earnings.
- **Empower Retirement increases market share to 12% by participants and 11% by assets** – Empower Retirement led the defined contribution plan recordkeeper industry in growth by both participants and assets in 2020. The Company solidified its position as the second largest defined contribution recordkeeper in the U.S., improving its market share to 12% by participants and 11% by assets. Empower Retirement assets under administration and participants were buoyed by the completion of a large plan sale in the first quarter of 2021 with approximately 316,000 participants and US\$49 billion in assets under administration.
- **Q1 Putnam net loss of US\$3 million** – Putnam's net loss for the first quarter of 2021 was US\$3 million, an improvement of US\$28 million compared to the first quarter of 2020. The improvement in Putnam's results was primarily due to lower unrealized losses on seed capital and higher fee revenue, partially offset by higher compensation related expenses. For Putnam, there were no differences between net and base earnings.
- **Putnam average assets under management up 12%** – Putnam's average assets under management for the first quarter of 2021 were US\$193.9 billion, an increase of US\$21.5 billion compared to the same quarter last year, primarily due to strong equity markets and cumulative net inflows over the period. Putnam continues to sustain strong investment performance relative to its peers. As of March 31, 2021, approximately 79% and 92% of Putnam's fund assets performed at levels above the Lipper median on a three-year and five-year basis, respectively. In addition, 66% and 68% of Putnam's fund assets were in the Lipper top quartile on a three-year and five-year basis, respectively. Putnam has 24 funds currently rated 4-5 stars by Morningstar.

EUROPE

- **Q1 Europe segment base earnings of \$201 million and net earnings of \$195 million** – Base earnings for the first quarter of 2021 were \$201 million compared to \$132 million in the first quarter of 2020. The increase was primarily due to favourable morbidity and longevity experience, partially offset by unfavourable mortality experience. Net earnings for the first quarter of 2021 were \$195 million, up from \$91 million in the first quarter of 2020, primarily due to the same reasons discussed for base earnings and improved market-related impacts in Ireland and Germany mainly due to unhedged market movements experienced in the first quarter of 2020.
- **Leading position in the U.K. Group Protection market** – The recent Group Protection industry survey 'Group Watch 2021' from Swiss Re confirmed Canada Life U.K. as the leading provider by in-force premium, policies and lives insured. The survey highlights Canada Life's growth in the U.K. in 2020, during the pandemic, which was supported by the extension of digital services for customers. On March 1, 2021, access to Canada Life U.K.'s 'WeCare' was extended to cover Group Income Protection customers as well as for smaller employers via the CLASS portal. 'WeCare' provides an extensive range of virtual services to support the improvement of the physical, mental and financial well-being of employees.

CAPITAL AND RISK SOLUTIONS

- **Q1 Capital and Risk Solutions segment base and net earnings of \$145 million** – Base earnings for the first quarter of 2021 were \$145 million, compared to \$119 million in the first quarter of 2020. The increase was primarily due to growth in the underlying business and favourable claims experience in the longevity business, partially offset by less favourable claims experience in the life business. Net earnings for the first quarter of

2021 of \$145 million, increased from \$93 million in the first quarter of 2020, primarily due to the same reasons discussed for base earnings as well as improved market-related impact on a legacy block of business.

- **€4.7 billion longevity reinsurance agreement announced** – On March 18, 2021, the Company announced it had entered into a longevity reinsurance agreement with an insurance company in the Netherlands. The agreement covers approximately €4.7 billion of pension liabilities and approximately 104,500 in-payment and deferred policies.
- **Expanding into new markets** – In the first quarter of 2021, the Company entered into a long-term reinsurance agreement with a life insurance company in Japan. The agreement covers a block of in-force whole life policies.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of \$0.4380 per share on the common shares of Lifeco payable June 30, 2021 to shareholders of record at the close of business June 2, 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	June 2, 2021	June 30, 2021	\$0.36875
Series G	June 2, 2021	June 30, 2021	\$0.3250
Series H	June 2, 2021	June 30, 2021	\$0.30313
Series I	June 2, 2021	June 30, 2021	\$0.28125
Series L	June 2, 2021	June 30, 2021	\$0.353125
Series M	June 2, 2021	June 30, 2021	\$0.3625
Series N	June 2, 2021	June 30, 2021	\$0.109313
Series P	June 2, 2021	June 30, 2021	\$0.3375
Series Q	June 2, 2021	June 30, 2021	\$0.321875
Series R	June 2, 2021	June 30, 2021	\$0.3000
Series S	June 2, 2021	June 30, 2021	\$0.328125
Series T	June 2, 2021	June 30, 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 \$2.1 trillion in consolidated assets under administration as at March 31, 2021 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 condensed consolidated interim unaudited 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, estimates of risk sensitivities affecting capital adequacy ratios, 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), the duration of COVID-19 impacts and the availability and adoption of vaccines, 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), 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", "net cash flows", "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 first quarter of 2021 interim 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.

First Quarter Conference Call

Lifeco's first quarter conference call and audio webcast will be held May 6, 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 May 6 to June 5, 2021 and can be accessed by calling 1-855-669-9658 or 604-674-8052 (passcode: 6656). 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		
	March 31 2021	Dec. 31 2020	March 31 2020
Earnings			
Base earnings ⁽¹⁾	\$ 739	\$ 741	\$ 543
Net earnings - common shareholders	707	912	342
Per common share			
Basic:			
Base earnings ⁽¹⁾	0.796	0.799	0.585
Net earnings	0.762	0.983	0.369
Diluted net earnings	0.761	0.983	0.369
Dividends paid	0.438	0.438	0.438
Book value	23.36	22.97	22.34
Base return on equity⁽¹⁾	13.6 %	12.8 %	13.5 %
Return on equity⁽¹⁾	15.7 %	14.1 %	10.3 %
Total premiums and deposits⁽¹⁾⁽²⁾	\$ 46,272	\$ 40,831	\$ 46,477
Fee and other income	1,751	1,569	1,441
Net policyholder benefits, dividends and experience refunds	13,143	9,916	9,429
Total assets per financial statements	\$ 592,759	\$ 600,490	\$ 436,903
Proprietary mutual funds and institutional net assets ⁽¹⁾	350,882	350,943	288,309
Total assets under management⁽¹⁾	943,641	951,433	725,212
Other assets under administration ⁽¹⁾	1,134,222	1,024,414	798,847
Total assets under administration⁽¹⁾	\$2,077,863	\$1,975,847	\$1,524,059
Total equity	\$ 27,385	\$ 27,015	\$ 26,441
The Canada Life Assurance Company consolidated LICAT Ratio⁽³⁾	123 %	129 %	133 %

⁽¹⁾ This metric is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of the Company's March 31, 2021 Management's Discussion and Analysis for additional details.

⁽²⁾ Comparative figures have been reclassified to reflect presentation adjustments.

⁽³⁾ 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 March 31, 2021 Management's Discussion and Analysis for additional details.

Base earnings⁽¹⁾ and Net earnings - common shareholders (unaudited)

	For the three months ended		
	March 31 2021	Dec. 31 2020	March 31 2020
Base earnings (loss)⁽¹⁾			
Canada	\$ 298	\$ 348	\$ 273
United States	104	90	17
Europe	201	195	132
Capital and Risk Solutions	145	124	119
Lifeco Corporate	(9)	(16)	2
Lifeco base earnings⁽¹⁾	\$ 739	\$ 741	\$ 543
Items excluded from base earnings ⁽¹⁾			
Actuarial assumption changes and other management actions ⁽¹⁾	\$ 5	\$ (23)	\$ (52)
Market-related impacts on liabilities ⁽¹⁾	(24)	(31)	(149)
Net gain/charge on business dispositions ⁽¹⁾	—	143	—
Transaction costs related to the acquisitions of Personal Capital and MassMutual ⁽¹⁾⁽²⁾	(1)	(47)	—
Revaluation of a deferred tax asset ⁽¹⁾	—	196	—
Restructuring and integration costs ⁽¹⁾	(12)	(67)	—
Items excluded from Lifeco base earnings⁽¹⁾	\$ (32)	\$ 171	\$ (201)
Net earnings (loss) - common shareholders			
Canada	\$ 287	\$ 300	\$ 151
United States	89	208	5
Europe	195	253	91
Capital and Risk Solutions	145	167	93
Lifeco Corporate	(9)	(16)	2
Lifeco net earnings - common shareholders	\$ 707	\$ 912	\$ 342

⁽¹⁾ This metric is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures" section of the Company's March 31, 2021 Management's Discussion and Analysis for additional details.

⁽²⁾ The transaction costs incurred to date relate to the acquisitions of Personal Capital and the retirement services business of MassMutual and are included in the U.S. Corporate business unit.