

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, 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-GAAP Financial Measures and Ratios at the end of this release. All figures are expressed in millions Canadian dollars, unless otherwise noted.

Great-West Lifeco reports fourth quarter 2021 base earnings⁽¹⁾ of \$825 million and net earnings of \$765 million

Winnipeg, February 9, 2022 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced its fourth quarter 2021 results.

"Great-West Lifeco's strong fourth quarter results are a continuation of the excellent momentum we have built through 2020 and the first three quarters of 2021," said Paul Mahon, President and CEO of Great-West Lifeco Inc. "We are strengthening our market leadership positions through strategic and disciplined acquisition and integration efforts and targeted investments in organic growth across all segments. Looking ahead to 2022, we'll strategically pursue further growth opportunities, while maintaining risk and expense discipline to deliver sustainable, long-term shareholder value creation while supporting the diverse needs of all stakeholders."

Common Shareholders	Base earnings ⁽¹⁾⁽²⁾		Net earnings	
	Q4 2021	Q4 2020	Q4 2021	Q4 2020
Segment earnings (loss)⁽¹⁾				
Canada	\$317	\$348	\$307	\$300
United States (U.S.)	156	90	92	208
Europe	213	195	239	253
Capital and Risk Solutions	145	124	133	167
Lifeco Corporate	(6)	(16)	(6)	(16)
Total earnings (loss)⁽¹⁾	\$825	\$741	\$765	\$912
EPS⁽²⁾	\$0.89	\$0.80	\$0.82	\$0.98
Return on equity⁽²⁾⁽³⁾	14.6%	12.8%	14.0%	14.1%
Dividend payout ratio⁽²⁾	51.4%	60.9%	53.6%	55.2%

⁽¹⁾ This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

⁽²⁾ This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document 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 earnings per common share (EPS) for the fourth quarter of 2021 of \$0.89 increased by 11% from \$0.80 a year ago, primarily due to MassMutual business related base earnings of \$55 million (US\$44 million), the impact of higher equity markets across all jurisdictions and overall business growth supported by strong sales activity.

Reported net EPS for the fourth quarter of 2021 was \$0.82, down from \$0.98 in 2020. The decrease 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) recorded in the fourth quarter of 2020. These items were partially offset by an increase in base earnings, lower restructuring and integration costs in the Canada and U.S. segments as well as favourable market-related impacts on liabilities in the fourth quarter of 2021.

Highlights

Medium-term financial objectives met or exceeded in 2021

- Lifeco achieved base EPS¹ growth of 21.9% (13.4% compound annual growth rate over the last three years) compared to 8-10% per annum objective
- Lifeco's base return on equity¹ for 2021 was 14.6% (13.6% average base return on equity over the last three years) compared to 14-15% objective
- Lifeco's base dividend payout ratio¹ in 2021 was 51.4% (56.7% payout ratio over the last three years) compared to 45%-55% objective

Key strategic transactions advanced in quarter

- On November 1, 2021, a Lifeco subsidiary, Irish Life Group Limited (Irish Life) completed the acquisition of Ark Life Assurance Company dac (Ark Life) from Phoenix Group Holdings plc for a total cash consideration of €230 million. The acquisition adds scale to Irish Life's retail division and enhances Irish Life's ability to provide customers with market-leading wealth and insurance solutions.
- On November 19, 2021, the Company completed the sale of its United States-based subsidiaries, EverWest Real Estate Investors, LLC and EverWest Advisors, LLC (EverWest) to Sagard Holdings Inc. (Sagard), a wholly-owned subsidiary of Power Corporation, in exchange for a minority shareholding in Sagard's subsidiary, Sagard Holdings Management Inc. As part of the transaction, the Company has made a capital commitment of approximately US\$500 million into certain Sagard strategies. The Company has also committed to investing a further approximately US\$2 billion in real estate investments to support EverWest's future growth within Sagard.

Recent acquisitions are performing well

- Recent acquisitions made in 2020 in the United States and Europe segments have performed well, resulting in pre-tax contingent consideration provisions of \$52 million (US\$41 million) and \$14 million (€10 million), respectively, recorded in the fourth quarter of 2021.

Dividend restrictions lifted

- On November 15, 2021, Lifeco announced an additional dividend of \$0.052 per share. Combined with its previously declared quarterly dividend, total quarterly dividends increased 12% from the previous quarter to \$0.490. This additional dividend follows the announcement by the Office of the Superintendent of Financial Institutions (OSFI) on November 4, 2021 that it has withdrawn its expectation that all federally regulated financial institutions halt dividend increases.

Capital strength and financial flexibility maintained

- The Company's capital position remained strong at December 31, 2021, with a LICAT Ratio² for Canada Life, Lifeco's major Canadian operating subsidiary, of 124% which is above the Company's internal target range and the supervisory target.

Consolidated assets of \$630 billion and assets under administration³ of \$2.3 trillion

- Total assets were approximately \$630 billion and assets under administration (AUA) were approximately \$2.3 trillion at December 31, 2021, an increase of 5% and 15%, respectively, from December 31, 2020. The increases were primarily due to the impact of equity market movement and new business growth, partially offset by the impact of currency movement.

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¹ This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

² 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. The LICAT Ratio is calculated in accordance with the Office of Superintendent of Financial Institutions' guideline - Life Insurance Capital Adequacy Test. Refer to the "Capital Management and Adequacy" section of the Company's 2021 Annual MD&A for additional details.

³ This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

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 2021 Annual Management's Discussion and Analysis (MD&A).

CANADA

- **Q4 Canada segment base earnings of \$317 million and net earnings of \$307 million** – Base earnings for the fourth quarter of 2021 were \$317 million, down 9% compared to the fourth quarter of 2020, primarily due to less favourable morbidity experience in Group Customer and the impact of a higher tax rate. Net earnings for the fourth quarter of 2021 were \$307 million, up from \$300 million in the fourth quarter of 2020, primarily due to more favourable actuarial assumption changes in Individual Customer partially offset by the change in base earnings.
- **Largest sale in the history of the Group Benefit market** - On December 1, 2021, Canada Life was awarded the Public Service Health Care Plan (PSHCP) in the largest sale in the history of the Canadian group benefit market. As a result, effective July 1, 2023, Group Customer will support the well-being of 1.5 million more Canadians, covering eligible public servants and their dependents from coast to coast. The Company expects to administer an estimated \$26 billion in claims on behalf of the PSHCP over a 12-year contract. The PSHCP represents over 3% of the group benefit market.

UNITED STATES

- **Q4 U.S. Financial Services base earnings of US\$110 million (\$137 million) and net earnings of US\$98 million (\$123 million)** – U.S. Financial Services base earnings for the fourth quarter of 2021 were US\$110 million (\$137 million), up US\$61 million or 124% from the fourth quarter of 2020. Base earnings growth included MassMutual related base earnings of US\$44 million (\$55 million) and organic growth in the Empower business attributable to strong sales and higher average equity markets. On a sequential basis, Empower base earnings declined driven by seasonal and one-time items included in the fourth quarter of 2021.
- **Empower renames to bolster customer engagement** – Subsequent to the fourth quarter of 2021, on February 1, 2022, Great-West Life & Annuity Insurance Company, an indirect subsidiary of the Company, announced that "Empower" replaced "Empower Retirement" as the company's public-facing brand name. Transitioning to "Empower" and eliminating "Retirement" is a strategic approach to elevate the firm's brand as it continues to develop its offer, increase visibility to more individuals and expand its focus to include financial wellness. In addition, the simplified name allows Empower to employ the "empower.com" domain, which makes it easier for customers to find and interact with the company's web properties.
- **Run-rate cost synergies are on track** – Annualized run rate cost synergies of US\$80 million pre-tax have been achieved as of December 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.
- **Q4 Putnam net earnings of US\$35 million (\$43 million)** – Putnam's net earnings for the fourth quarter of 2021 were US\$35 million (\$43 million), an improvement of US\$9 million or 35% compared to the fourth quarter of 2020, primarily due to higher asset-based fee revenue and changes to certain tax estimates, partially offset by lower net investment income and performance fee revenue. For Putnam, there were no differences between net and base earnings.

- **Putnam continues to sustain strong investment performance** – As of December 31, 2021, approximately 84% and 83% of Putnam's fund assets performed at levels above the Lipper median on a three-year and five-year basis, respectively. In addition, 50% and 37% of Putnam's fund assets were in the Lipper top quartile on a three-year and five-year basis, respectively. Putnam has 25 funds currently rated 4 or 5 stars by Morningstar Ratings.

EUROPE

- **Q4 Europe segment base earnings of \$213 million and net earnings of \$239 million** – Base earnings for the fourth quarter of 2021 were \$213 million, up 9% compared to the fourth quarter of 2020, primarily due to favourable morbidity experience and changes to certain tax estimates in the United Kingdom (U.K.) as well as fee income growth in Ireland. These items were partially offset by lower annuitant experience in the U.K., unfavourable mortality experience in Ireland and the impact of currency movement. Net earnings for the fourth quarter of 2021 were \$239 million, down \$14 million from the fourth quarter of 2020, primarily due to transaction costs and contingent consideration related to recent acquisitions in Ireland and lower contributions from actuarial assumption changes, partially offset by higher base earnings and growth in property market values.

CAPITAL AND RISK SOLUTIONS

- **Q4 Capital and Risk Solutions segment base earnings of \$145 million and net earnings of \$133 million** Base earnings for the fourth quarter of 2021 were \$145 million, up 17% compared to the fourth quarter of 2020, primarily due to business growth, resolution of certain tax matters and less adverse claims experience in the life business. These items were partially offset by less favourable longevity experience. Net earnings for the fourth quarter of 2021 of \$133 million decreased by \$34 million from the prior year, primarily due to unfavourable actuarial assumption changes, partially offset by higher base earnings.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of \$0.490 per share on the common shares of Lifeco payable March 31, 2022 to shareholders of record at the close of business March 3, 2022.

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 G	March 3, 2022	March 31, 2022	\$0.3250
Series H	March 3, 2022	March 31, 2022	\$0.30313
Series I	March 3, 2022	March 31, 2022	\$0.28125
Series L	March 3, 2022	March 31, 2022	\$0.353125
Series M	March 3, 2022	March 31, 2022	\$0.3625
Series N	March 3, 2022	March 31, 2022	\$0.109313
Series P	March 3, 2022	March 31, 2022	\$0.3375
Series Q	March 3, 2022	March 31, 2022	\$0.321875
Series R	March 3, 2022	March 31, 2022	\$0.3000
Series S	March 3, 2022	March 31, 2022	\$0.328125
Series T	March 3, 2022	March 31, 2022	\$0.321875
Series Y	March 3, 2022	March 31, 2022	\$0.28125

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, Putnam Investments, and Irish Life. At the end of 2021, our companies had approximately 28,000 employees, 215,000 advisor relationships, and thousands of distribution partners – all serving over 33 million customer relationships across these regions. Great-West Lifeco trades on the Toronto Stock Exchange (TSX) under the ticker symbol GWO and is a member of the Power Corporation group of companies. 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, climate-related goals, 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 but not limited to the proposed acquisition of the full-service retirement business of Prudential Financial Inc. (Prudential) and the acquisitions of Personal Capital Corporation (Personal Capital) and the retirement services business of Massachusetts Mutual Life Insurance Company (MassMutual), the timing and completion of the proposed acquisition of the retirement business of Prudential, 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 not limited to investment in technology infrastructure and digital capabilities and solutions), the expected benefits of the Company's strategic relationship with Sagard Holdings, the timing and completion of the joint venture between Allied Irish Banks plc and Canada Life Irish Holding Company Limited, 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 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 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, the effectiveness of vaccines, the emergence of COVID-19 variants, 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 and Prudential, the ability to leverage Empower Retirement's, Personal Capital's, and MassMutual's and Prudential'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, changes in actuarial standards, 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. In addition, as we work to advance our climate goals, external factors outside of Lifeco's

reasonable control may act as constraints on their achievement, including varying decarbonization efforts across economies, the need for thoughtful climate policies around the world, more and better data, reasonably supported methodologies, technological advancements, the evolution of consumer behavior, the challenges of balancing interim emissions goals with an orderly and just transition, and other significant considerations such as legal and regulatory obligations.

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 2021 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 9, 2022 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-GAAP Financial Measures and Ratios

This release contains some non-GAAP financial measures and non-GAAP ratios as defined in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure". Terms by which non-GAAP financial measures are identified include, but are not limited to, "base earnings (loss)", "base earnings (loss) (US\$)" and "assets under administration". Terms by which non-GAAP ratios are identified include, but are not limited to, "base earnings per common share (EPS)", "base return on equity (ROE)" and base dividend payout ratio. Non-GAAP financial measures and ratios are used to provide management and investors with additional measures of performance to help assess results where no comparable GAAP (IFRS) measure exists. However, non-GAAP financial measures and ratios do not have standard meanings prescribed by GAAP (IFRS) and are not directly comparable to similar measures used by other companies. Refer to the "Non-GAAP Financial Measures and Ratios" section in this release for the appropriate reconciliations of these non-GAAP financial measures to measures prescribed by GAAP as well as additional details on each measure and ratio.

Fourth Quarter Conference Call

Lifeco's fourth quarter conference call and audio webcast will be held February 10, 2022 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 10 to March 11, 2022 and can be accessed by calling 1-855-669-9658 or 604-674-8052 (passcode:8244). The archived webcast will be available on greatwestlifeco.com.

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GREAT-WEST LIFECO INC.

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 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Earnings					
Base earnings ⁽¹⁾	\$ 825	\$ 870	\$ 741	\$ 3,260	\$ 2,669
Net earnings - common shareholders	765	872	912	3,128	2,943
Per common share					
Basic:					
Base earnings ⁽²⁾	0.887	0.934	0.799	3.507	2.878
Net earnings	0.822	0.938	0.983	3.365	3.173
Diluted net earnings	0.820	0.936	0.983	3.360	3.172
Dividends paid ⁽³⁾	0.490	0.438	0.438	1.804	1.752
Book value ⁽⁴⁾	24.71	24.40	22.97		
Base return on equity⁽²⁾	14.6 %	14.5 %	12.8 %		
Return on equity⁽⁴⁾	14.0 %	14.9 %	14.1 %		
Total net premiums	\$ 12,989	\$ 14,921	\$ 11,747	\$ 52,813	\$ 43,019
Total premiums and deposits⁽¹⁾	47,654	39,282	40,831	168,803	171,345
Fee and other income	1,885	1,858	1,569	7,294	5,902
Net policyholder benefits, dividends and experience refunds	12,241	10,915	9,916	47,252	38,159
Total assets per financial statements	\$ 630,488	\$ 614,962	\$ 600,490		
Proprietary mutual funds and institutional assets ⁽⁴⁾	377,155	365,764	350,943		
Total assets under management⁽¹⁾	1,007,643	980,726	951,433		
Other assets under administration ⁽⁴⁾	1,271,931	1,213,074	1,024,414		
Total assets under administration⁽¹⁾	\$ 2,279,574	\$ 2,193,800	\$ 1,975,847		
Total equity	\$ 30,483	\$ 30,232	\$ 27,015		
The Canada Life Assurance Company consolidated LICAT Ratio⁽⁵⁾	124 %	123 %	129 %		

⁽¹⁾ This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

⁽²⁾ This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

⁽³⁾ In 2021, Lifeco made dividend payments to common shareholders on each of March 31, June 30 and September 30 in the amount of \$0.438 per share. On November 15, 2021, Lifeco announced an increase to the quarterly dividend of \$0.052 per share. On December 31, 2021, Lifeco made a dividend payment to common shareholders in the amount of \$0.490 per share.

⁽⁴⁾ Refer to the "Glossary" section of the Company's 2021 Annual Management's Discussion and Analysis for additional details on the composition of this measure.

⁽⁵⁾ 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. The LICAT Ratio is calculated in accordance with the Office of Superintendent of Financial Institutions' guideline- Life Insurance Capital Adequacy Test. Refer to the "Capital Management and Adequacy" section of the Company's 2021 Annual Management's Discussion and Analysis for additional details.

GREAT-WEST LIFECO INC.

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

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings (loss)⁽¹⁾					
Canada	\$ 317	\$ 312	\$ 348	\$ 1,220	\$ 1,206
United States	156	221	90	671	273
Europe	213	232	195	830	688
Capital and Risk Solutions	145	107	124	547	536
Lifeco Corporate	(6)	(2)	(16)	(8)	(34)
Lifeco base earnings⁽¹⁾	\$ 825	\$ 870	\$ 741	\$ 3,260	\$ 2,669
Items excluded from base earnings					
Actuarial assumption changes and other management actions ⁽²⁾	\$ 23	\$ 69	\$ (23)	\$ 134	\$ 113
Market-related impacts on liabilities ⁽²⁾	20	47	(31)	24	(127)
Transaction costs related to acquisitions ⁽³⁾	(74)	(90)	(47)	(189)	(78)
Restructuring and integration costs	(15)	(24)	(67)	(66)	(67)
Tax legislative changes impact on liabilities	—	—	—	(21)	—
Net gain/charge on business dispositions ⁽⁴⁾	(14)	—	143	(14)	237
Revaluation of deferred tax asset	—	—	196	—	196
Items excluded from Lifeco base earnings	\$ (60)	\$ 2	\$ 171	\$ (132)	\$ 274
Net earnings (loss) - common shareholders					
Canada	\$ 307	\$ 305	\$ 300	\$ 1,187	\$ 1,070
United States	92	168	208	499	380
Europe	239	357	253	976	913
Capital and Risk Solutions	133	102	167	532	614
Lifeco Corporate	(6)	(60)	(16)	(66)	(34)
Lifeco net earnings - common shareholders	\$ 765	\$ 872	\$ 912	\$ 3,128	\$ 2,943

(1) This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

(2) Refer to the "Glossary" section of the Company's 2021 Annual Management's Discussion and Analysis for additional details on the composition of this measure.

(3) The transaction costs relate to the acquisitions in the U.S segment (the full-service retirement business of Prudential, Personal Capital and the retirement services business of MassMutual) as well as acquisitions in the Europe segment. In addition, the twelve months ended December 31, 2021 included a provision for payments relating to the Company's acquisition of Canada Life.

(4) For the three and twelve months ended December 31, 2021, net gain/charge on business dispositions includes a \$14 million net charge on business disposition in the Europe Corporate business unit. Included in the three and twelve months ended December 31, 2020 is a net gain of \$143 million on the sale of GLC Asset Management Group Ltd. in the Canada Corporate business unit. Included in the twelve months ended December 31, 2020 is a net gain of \$94 million related to the sale of Irish Progressive Services International Limited (IPSI) in the Europe Ireland business unit.

NON-GAAP FINANCIAL MEASURES AND RATIOS

The Company uses several non-GAAP financial measures to measure overall performance of the Company and to assess each of its business units. A financial measure is considered a non-GAAP measure for Canadian securities law purposes if it is presented other than in accordance with generally accepted accounting principles (GAAP) used for the Company's consolidated financial statements. The consolidated financial statements of the Company have been prepared in compliance with IFRS as issued by the IASB. Non-GAAP financial measures do not have a standardized meaning under GAAP and may not be comparable to similar financial measures presented by other issuers. Investors may find these financial measures useful in understanding how management views the underlying business performance of the Company.

Base earnings (loss)

Base earnings (loss) reflect management's view of the underlying business performance of the Company and provides an alternate measure to understand the underlying business performance compared to IFRS net earnings. Base earnings (loss) exclude the following items:

- The impact of actuarial assumption changes and other management actions;
- The net earnings impact related to the direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, which includes:
 - the impact of hedge ineffectiveness related to segregated fund guarantee liabilities that are hedged and the performance of the related hedge assets;
 - the impact on segregated fund guarantee liabilities not hedged;
 - the impact on general fund equity and investment properties supporting insurance contract liabilities;
 - other market impacts on insurance and investment contract liabilities and deferred tax liabilities, including those arising from the difference between actual and expected market movements; and
- Certain items that, when removed, assist in explaining the Company's underlying business performance including restructuring costs, integration costs related to business acquisitions, material legal settlements, material impairment charges related to goodwill and intangible assets, impact of substantially enacted income tax rate changes and other tax impairments and net gains, losses or costs related to the disposition or acquisition of a business.

Lifeco

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings	\$ 825	\$ 870	\$ 741	\$ 3,260	\$ 2,669
Items excluded from Lifeco base earnings					
Actuarial assumption changes and other management actions (pre-tax)	\$ 28	\$ 74	\$ (71)	\$ 148	\$ 61
Income tax (expense) benefit	(5)	(5)	48	(14)	52
Market-related impact on liabilities (pre-tax)	22	52	(21)	35	(178)
Income tax (expense) benefit	(2)	(5)	(10)	(11)	51
Transaction costs related to acquisitions (pre-tax)	(76)	(104)	(59)	(207)	(95)
Income tax (expense) benefit	2	14	12	18	17
Restructuring and integration costs (pre-tax)	(21)	(32)	(88)	(90)	(88)
Income tax (expense) benefit	6	8	21	24	21
Tax legislative changes impact on liabilities	—	—	—	(21)	—
Net gain/charge on business dispositions (pre-tax)	(14)	—	137	(14)	232
Income tax (expense) benefit	—	—	6	—	5
Revaluation of a deferred tax asset	—	—	196	—	196
Total pre-tax items excluded from base earnings	\$ (61)	\$ (10)	\$ (102)	\$ (128)	\$ (68)
Impact of items excluded from base earnings on income taxes	1	12	273	(4)	342
Net earnings - common shareholders	\$ 765	\$ 872	\$ 912	\$ 3,128	\$ 2,943

GREAT-WEST LIFECO INC.

Canada

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings	\$ 317	\$ 312	\$ 348	\$ 1,220	\$ 1,206
Items excluded from base earnings					
Actuarial assumption changes and other management actions (pre-tax)	\$ (18)	\$ (15)	\$ (199)	\$ (58)	\$ (265)
Income tax (expense) benefit	5	4	52	15	71
Market-related impacts on liabilities (pre-tax)	4	6	(14)	13	(71)
Income tax (expense) benefit	(1)	(2)	4	(3)	20
Net gain/charge on business dispositions (pre-tax)	—	—	137	—	137
Income tax (expense) benefit	—	—	6	—	6
Restructuring costs (pre-tax)	—	—	(46)	—	(46)
Income tax (expense) benefit	—	—	12	—	12
Net earnings - common shareholders	\$ 307	\$ 305	\$ 300	\$ 1,187	\$ 1,070

United States

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings	\$ 156	\$ 221	\$ 90	\$ 671	\$ 273
Items excluded from base earnings					
Actuarial assumption changes and other management actions (pre-tax)	\$ 2	\$ 5	\$ 3	\$ 7	\$ 52
Income tax (expense) benefit	—	(1)	—	(1)	(11)
Market-related impact on liabilities (pre-tax)	(1)	(1)	(2)	(5)	(26)
Income tax (expense) benefit	—	—	1	—	7
Transaction costs related to acquisitions (pre-tax)	(52)	(36)	(59)	(115)	(95)
Income tax (expense) benefit	2	4	12	8	17
Revaluation of a deferred tax asset	—	—	196	—	196
Restructuring and integration costs (pre-tax)	(21)	(32)	(42)	(90)	(42)
Income tax (expense) benefit	6	8	9	24	9
Net earnings - common shareholders	\$ 92	\$ 168	\$ 208	\$ 499	\$ 380

GREAT-WEST LIFECO INC.

Europe

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings	\$ 213	\$ 232	\$ 195	\$ 830	\$ 688
Items excluded from base earnings					
Actuarial assumption changes and other management actions (pre-tax)	\$ 59	\$ 90	\$ 83	\$ 219	\$ 209
Income tax (expense) benefit	(13)	(9)	(5)	(33)	(21)
Market-related impact on liabilities (pre-tax)	19	47	(5)	27	(81)
Income tax (expense) benefit	(1)	(3)	(15)	(8)	24
Transaction costs related to acquisitions (pre-tax)	(24)	—	—	(24)	—
Income tax (expense) benefit	—	—	—	—	—
Tax legislative changes impact on liabilities	—	—	—	(21)	—
Net gain/charge on business dispositions (pre-tax)	(14)	—	—	(14)	95
Income tax (expense) benefit	—	—	—	—	(1)
Net earnings - common shareholders	\$ 239	\$ 357	\$ 253	\$ 976	\$ 913

Capital and Risk Solutions

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings	\$ 145	\$ 107	\$ 124	\$ 547	\$ 536
Items excluded from base earnings					
Actuarial assumption changes and other management actions (pre-tax)	\$ (15)	\$ (6)	\$ 42	\$ (20)	\$ 65
Income tax (expense) benefit	3	1	1	5	13
Net earnings - common shareholder	\$ 133	\$ 102	\$ 167	\$ 532	\$ 614

Lifeco Corporate

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Base earnings (loss)	\$ (6)	\$ (2)	\$ (16)	\$ (8)	\$ (34)
Items excluded from base earnings (loss)					
Transaction costs related to acquisitions (pre-tax)	\$ —	\$ (68)	\$ —	\$ (68)	\$ —
Income tax (expense) benefit	—	10	—	10	—
Net earnings (loss) - common shareholder	\$ (6)	\$ (60)	\$ (16)	\$ (66)	\$ (34)

Assets under management (AUM) and assets under administration (AUA)

Assets under management and assets under administration are non-GAAP measures that provide an indicator of the size and volume of the Company's overall business.

Total assets under administration includes total assets per financial statements, proprietary mutual funds and institutional assets and other assets under administration. Please refer to the "Glossary" section of the Company's 2021 Annual Management's Discussion and Analysis for additional information regarding proprietary mutual funds and institutional net assets and other assets under administration.

Assets under management and assets under administration

	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020
Total assets per financial statements	\$ 630,488	\$ 614,962	\$ 600,490
Proprietary mutual funds and institutional assets	377,155	365,764	350,943
Assets under management	\$ 1,007,643	\$ 980,726	\$ 951,433
Other assets under administration	1,271,931	1,213,074	1,024,414
Assets under administration	\$ 2,279,574	\$ 2,193,800	\$ 1,975,847

Premiums and deposits

Total premiums and deposits include premiums on risk-based insurance and annuity products net of ceded reinsurance (as defined under IFRS as net premium income), premium equivalents on self-funded group insurance ASO contracts, deposits on individual and group segregated fund products as well as deposits on proprietary mutual funds and institutional accounts. Total premiums and deposits exclude the initial ceded premium related to the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business. This measure provides an indicator of top-line growth.

Premiums and deposits

	For the three months ended			For the twelve months ended	
	Dec. 31 2021	Sept. 30 2021	Dec. 31 2020	Dec. 31 2021	Dec. 31 2020
Total net premiums	\$ 12,989	\$ 14,921	\$ 11,747	\$ 52,813	\$ 43,019
Policyholder deposits (segregated funds) ⁽¹⁾	8,337	6,733	5,641	29,657	21,916
Self-funded premium equivalents (ASO contracts) and other	4,556	2,828	1,687	11,108	6,123
Proprietary mutual funds and institutional deposits	21,772	14,800	21,756	75,225	100,287
Total premiums and deposits	\$ 47,654	\$ 39,282	\$ 40,831	\$ 168,803	\$ 171,345

⁽¹⁾ For additional details, refer to note 14(b) to the Company's consolidated financial statements for the period ended December 31, 2021.

NON-GAAP RATIOS

A non-GAAP ratio is a financial measure in the form of a ratio, fraction, percentage or similar representation that is not disclosed in the financial statements of the Company and has a non-GAAP financial measure as one or more of its components. These financial measures do not have a standardized definition under IFRS and might not be comparable to similar financial measures disclosed by other issuers.

The non-GAAP ratios disclosed by the Company each use base earnings (loss) as the non-GAAP component. Base earnings (loss) reflect management's view of the underlying business performance of the Company and provides an alternate measure to understand the underlying business performance compared to IFRS net earnings.

- **Base dividend payout ratio** - Dividends paid to common shareholders are divided by base earnings (loss).
- **Base earnings per share** - Base earnings (loss) for the period is divided by the number of average common shares outstanding for the period.
- **Base return on equity** - Base earnings (loss) for the trailing four quarters are divided by the average common shareholders' equity over the trailing four quarters. This measure provides an indicator of business unit profitability.