

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, 2022, 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 first quarter 2022 results

Winnipeg, May 4, 2022 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced its first quarter 2022 results. Net earnings of \$770 million and base earnings¹ of \$809 million were both up 9% compared to the same period in 2021.

"The start of 2022 has been marked by tragic human dislocation and loss as a result of the senseless invasion of Ukraine. Our hearts go out to those impacted by these events. Despite the challenging macroeconomic backdrop, we are very pleased with our results this quarter that are in line with our medium-term objectives, and reflect the strength, resiliency and diversification in our business," said Paul Mahon, President and CEO of Great-West Lifeco Inc. "We are pleased with the progress we are making in our important value creation priorities. Integration of our acquired businesses remains on track including the launch of Personal Capital capabilities into the Empower platform."

Common Shareholders	Base earnings ⁽¹⁾		Net earnings	
	Q1 2022	Q1 2021	Q1 2022	Q1 2021
Segment earnings⁽¹⁾				
Canada	\$272	\$298	\$275	\$287
United States (U.S.)	120	104	105	89
Europe	245	201	219	195
Capital and Risk Solutions	170	145	169	145
Lifeco Corporate	2	(9)	2	(9)
Total earnings⁽¹⁾	\$809	\$739	\$770	\$707
EPS⁽²⁾	\$0.87	\$0.80	\$0.83	\$0.76
Return on equity⁽²⁾⁽³⁾	14.7%	13.6%	14.1%	15.7%

Base earnings per common share (EPS) for the first quarter of 2022 of \$0.87 increased by 9% from \$0.80 a year ago, with fee income benefiting from higher average equity markets across all jurisdictions compared to the first quarter of 2021. In addition, mortality experience overall improved from 2021, particularly in Europe and U.S. Life Reinsurance.

Reported net EPS for the first quarter of 2022 was \$0.83, up from \$0.76 a year ago, primarily due to the increase in base earnings.

Return on equity of 14.1% and base return on equity of 14.7% in the first quarter of 2022 were solid in light of continued macroeconomic challenges.

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

² Base EPS and base return on equity are non-GAAP ratios. 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.

Highlights

Capital strength and financial flexibility maintained

- The Company's capital position remained strong at March 31, 2022, with a LICAT Ratio⁴ for Canada Life, Lifeco's major Canadian operating subsidiary, of 119% which is near the high end of the Company's internal target range and above the supervisory target. The LICAT Ratio reduced by 5 points in the quarter mainly due to the material increase in interest rates in the quarter.

Consolidated assets of \$600 billion and assets under administration⁵ of \$2.2 trillion

- Consolidated assets were approximately \$600 billion and assets under administration (AUA) were approximately \$2.2 trillion at March 31, 2022, a decrease of 5% and 4%, respectively, from December 31, 2021. In the quarter, higher interest rates, generally downward equity market movements and the strengthening of the Canadian dollar negatively impacted asset values, partially offset by new business growth in other AUA⁶.

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 2022 interim Management's Discussion and Analysis (MD&A).

CANADA

- **Q1 Canada segment base earnings of \$272 million and net earnings of \$275 million** – Base earnings for the first quarter of 2022 were \$272 million, down 9% compared to the first quarter of 2021. The decrease was primarily due to adverse morbidity experience in Group Customer, as well as unfavourable impacts of new business and policyholder behaviour in Individual Customer.
- **Positive net cash flows⁶ in Group and Individual wealth businesses** – In the first quarter of 2022, the Group and Individual wealth businesses in Canada recorded net positive flows of fee business AUA of \$541 million and \$173 million, respectively.
- **Rated Most Valuable Insurance Company Brand in Canada** – Brand Finance, the leading brand valuation consultancy, rated Canada Life as the fourth most valued brand in Canada, making Canada Life the first insurance company ever to jump into its top five most valuable brands in Canada. The annual Canada 100 2022 report highlights the 150% increase in brand value from combining three separately branded businesses under a single brand, the significant increase in the brand's strength, shifting from a A+ ('strong') to a AAA- ('extremely strong'), as well as Canada Life's exceptional brand performance in its home market.

UNITED STATES

- **Q1 U.S. Financial Services base earnings of US\$106 million (\$134 million) and net earnings of US\$94 million (\$120 million)** – U.S. Financial Services base earnings for the first quarter of 2022 were US\$106 million (\$134 million), up US\$22 million or 26% from the first quarter of 2021. The increase was primarily due to higher contributions from investment experience and higher net fee income driven by higher average equity markets, partially offset by higher operating expenses to support future business growth.

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. 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 first quarter of 2022 interim MD&A for additional details.

⁵ Assets under administration is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

⁶ Refer to the "Glossary" section of the Company's first quarter of 2022 interim MD&A for additional details on the composition of other AUA and net cash flows.

- **Acquisition of the full-service retirement services business of Prudential Financial, Inc. (Prudential) completed** – On April 1, 2022, Empower completed the previously announced acquisition of the full-service retirement services business of Prudential. Empower's reach in the U.S. is now expanded to more than 17.1 million retirement plan participants and AUA to US\$1.4 trillion on behalf of approximately 71,000 workplace savings plans.

On March 30, 2022, to finance a portion of the Prudential retirement services business acquisition, Great-West Lifeco U.S LLC, a subsidiary of the Company, established a 2-year \$625 million (US\$500 million) non-revolving credit facility. As at March 31, 2022, the facility was fully drawn, along with \$403 million (US\$323 million) from an existing revolving credit facility.

- **Run-rate cost synergies are on track** – Annualized run rate cost synergies of US\$80 million pre-tax have been achieved as of March 31, 2022 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.
- **Positive net cash flows in Empower and Personal Capital** – In the first quarter of 2022, Empower recorded positive net flows of AUA of US\$29 billion (\$36 billion) and Personal Capital recorded positive net flows of other assets under management⁷ of US\$1.2 billion (\$1.5 billion).
- **Q1 Putnam net loss of US\$4 million (\$5 million)** – Putnam's net loss for the first quarter of 2022 was US\$4 million (\$5 million), compared to a net loss of US\$3 million (\$3 million) in the first quarter of 2021. In-quarter market volatility impacted fee revenue and drove seed capital losses, which along with a small increase in operating expenses, resulted in an increase in loss compared to the first quarter of 2021 of US\$1 million (\$1 million). For Putnam, there were no differences between net and base earnings (loss).
- **Putnam continues to sustain strong investment performance** – As of March 31, 2022, approximately 83% and 87% of Putnam's fund assets performed at levels above the Lipper median on a three-year and five-year basis, respectively. In addition, 58% and 69% 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

- **Q1 Europe segment base earnings of \$245 million and net earnings of \$219 million** – Base earnings for the first quarter of 2022 were \$245 million, up 22% compared to the first quarter of 2021, primarily due to favourable investment experience in the U.K., higher fee income in Ireland as well as favourable mortality experience in both Ireland and the U.K. These items were partially offset by less favourable annuitant experience in the U.K. and the strengthening of the Canadian dollar. Net earnings for the first quarter of 2022 were \$219 million, up \$24 million or 12% from the first quarter of 2021, primarily due to higher base earnings and improved real estate related market impacts. These items were partially offset by a negative impact from actuarial assumption changes and other management actions, acquisition related costs in Ireland and unfavourable market related impacts in Ireland and Germany.
- **Strong Insurance and Annuity and Wealth sales⁷** – In the first quarter of 2022, Insurance and Annuity sales increased by 100% and Wealth sales increased 59% over the same period in 2021.
- **Positive net cash flows in Wealth and Investment Only mandates** – In the first quarter of 2022, Wealth mandates and Investment Only mandates each recorded positive net flows of AUA of \$1.4 billion, for total positive net flows of AUA of \$2.8 billion.

⁷ Refer to the "Glossary" section of the Company's first quarter of 2022 interim MD&A for additional details on the composition of other assets under management and sales.

CAPITAL AND RISK SOLUTIONS

- **Q1 Capital and Risk Solutions segment base earnings of \$170 million and net earnings of \$169 million**
Base earnings for the first quarter of 2022 were \$170 million, up 17% compared to the first quarter of 2021, primarily due to less adverse claims experience in the U.S. life business, favourable impacts from new business and favourable longevity experience.
- **Continued expansion in the global reinsurance market** – In the first quarter of 2022, Capital and Risk Solutions continued to expand its international presence and entered into a mortgage reinsurance agreement with an insurance company in Israel. In addition, the Company continued growing its presence in the U.S. health market, completing a number of reinsurance agreements during the quarter.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of \$0.4900 per share on the common shares of Lifeco payable June 30, 2022 to shareholders of record at the close of business June 2, 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	June 2, 2022	June 30, 2022	\$0.3250
Series H	June 2, 2022	June 30, 2022	\$0.30313
Series I	June 2, 2022	June 30, 2022	\$0.28125
Series L	June 2, 2022	June 30, 2022	\$0.353125
Series M	June 2, 2022	June 30, 2022	\$0.3625
Series N	June 2, 2022	June 30, 2022	\$0.109313
Series P	June 2, 2022	June 30, 2022	\$0.3375
Series Q	June 2, 2022	June 30, 2022	\$0.321875
Series R	June 2, 2022	June 30, 2022	\$0.3000
Series S	June 2, 2022	June 30, 2022	\$0.328125
Series T	June 2, 2022	June 30, 2022	\$0.321875
Series Y	June 2, 2022	June 30, 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 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, 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 acquisitions of the full-service retirement business of Prudential Financial Inc. (Prudential), 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 not limited to investment in technology infrastructure and digital capabilities and solutions), 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, geopolitical tensions and related economic impacts, 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'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)", and "base return on equity (ROE)". 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.

First Quarter Conference Call

Lifeco's first quarter conference call and audio webcast will be held May 5, 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 until June 5, 2022 and can be accessed by calling 1-855-669-9658 or 604-674-8052 (passcode:8893). 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		
	March 31 2022	Dec. 31 2021	March 31 2021
Earnings			
Base earnings ⁽¹⁾	\$ 809	\$ 825	\$ 739
Net earnings - common shareholders	770	765	707
Per common share			
Basic:			
Base earnings ⁽²⁾	0.869	0.887	0.796
Net earnings	0.827	0.822	0.762
Diluted net earnings	0.825	0.820	0.761
Dividends paid	0.490	0.490	0.438
Book value ⁽³⁾	24.57	24.71	23.36
Base return on equity⁽²⁾	14.7 %	14.6 %	13.6 %
Return on equity⁽³⁾	14.1 %	14.0 %	15.7 %
Total net premiums⁽⁴⁾	\$ 14,051	\$ 12,989	\$ 13,152
Total premiums and deposits⁽¹⁾⁽⁴⁾	44,158	47,654	45,063
Fee and other income	1,813	1,885	1,751
Net policyholder benefits, dividends and experience refunds⁽⁴⁾	12,747	12,241	11,934
Total assets per financial statements	\$ 600,459	\$ 630,488	\$ 592,759
Total assets under management⁽¹⁾	954,395	1,007,643	943,641
Total assets under administration⁽¹⁾⁽⁵⁾	2,187,706	2,291,592	2,088,009
Total equity	30,387	30,483	27,385
The Canada Life Assurance Company consolidated LICAT Ratio⁽⁶⁾	119 %	124 %	123 %

⁽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⁾ Refer to the "Glossary" section of the Company's March 31, 2022 Management's Discussion and Analysis for additional details on the composition of this measure.

⁽⁴⁾ Comparative figures for the three months ended March 31, 2021 have been restated relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

⁽⁵⁾ 2021 comparative figures have been restated to include Financial Horizons Group and Excel Private Wealth Inc. assets under administration in the Canada segment.

⁽⁶⁾ 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 March 31, 2022 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		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings (loss)⁽¹⁾			
Canada	\$ 272	\$ 317	\$ 298
United States	120	156	104
Europe	245	213	201
Capital and Risk Solutions	170	145	145
Lifeco Corporate	2	(6)	(9)
Lifeco base earnings⁽¹⁾	\$ 809	\$ 825	\$ 739
Items excluded from base earnings			
Actuarial assumption changes and other management actions ⁽²⁾	\$ (9)	\$ 23	\$ 5
Market-related impacts on liabilities ⁽²⁾	(11)	20	(24)
Restructuring and integration costs	(12)	(15)	(12)
Transaction costs related to acquisitions ⁽³⁾	(7)	(74)	(1)
Net gain/charge on business dispositions ⁽⁴⁾	—	(14)	—
Items excluded from Lifeco base earnings	\$ (39)	\$ (60)	\$ (32)
Net earnings (loss) - common shareholders			
Canada	\$ 275	\$ 307	\$ 287
United States	105	92	89
Europe	219	239	195
Capital and Risk Solutions	169	133	145
Lifeco Corporate	2	(6)	(9)
Lifeco net earnings - common shareholders	\$ 770	\$ 765	\$ 707

⁽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 March 31, 2022 Management's Discussion and Analysis for additional details on the composition of this measure.

⁽³⁾ The transaction costs relate to 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.

⁽⁴⁾ For the three 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.

NON-GAAP FINANCIAL MEASURES AND RATIOS

Non-GAAP Financial Measures

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 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 International Accounting Standards Board (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 provide an alternate measure to understand the underlying business performance compared to IFRS net earnings (loss). 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.

GREAT-WEST LIFECO_{INC.}

Lifeco

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings	\$ 809	\$ 825	\$ 739
Items excluded from Lifeco base earnings			
Actuarial assumption changes and other management actions (pre-tax)	\$ (9)	\$ 28	\$ 4
Income tax (expense) benefit	—	(5)	1
Market-related impacts on liabilities (pre-tax)	(14)	22	(25)
Income tax (expense) benefit	3	(2)	1
Restructuring and integration costs (pre-tax)	(17)	(21)	(16)
Income tax (expense) benefit	5	6	4
Transaction costs related to acquisitions (pre-tax)	(8)	(76)	(2)
Income tax (expense) benefit	1	2	1
Net gain/charge on business dispositions (pre-tax)	—	(14)	—
Income tax (expense) benefit	—	—	—
Total pre-tax items excluded from base earnings	\$ (48)	\$ (61)	\$ (39)
Impact of items excluded from base earnings on income taxes	9	1	7
Net earnings - common shareholders	\$ 770	\$ 765	\$ 707

Canada

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings	\$ 272	\$ 317	\$ 298
Items excluded from base earnings			
Actuarial assumption changes and other management actions (pre-tax)	\$ 1	\$ (18)	\$ (18)
Income tax (expense) benefit	(1)	5	5
Market-related impacts on liabilities (pre-tax)	4	4	2
Income tax (expense) benefit	(1)	(1)	—
Net earnings - common shareholders	\$ 275	\$ 307	\$ 287

GREAT-WEST LIFECO INC.

United States

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings	\$ 120	\$ 156	\$ 104
Items excluded from base earnings			
Actuarial assumption changes and other management actions (pre-tax)	\$ —	\$ 2	\$ —
Income tax (expense) benefit	—	—	—
Market-related impacts on liabilities (pre-tax)	(3)	(1)	(2)
Income tax (expense) benefit	1	—	—
Restructuring and integration costs (pre-tax)	(17)	(21)	(16)
Income tax (expense) benefit	5	6	4
Transaction costs related to acquisitions (pre-tax)	(2)	(52)	(2)
Income tax (expense) benefit	1	2	1
Net earnings - common shareholders	\$ 105	\$ 92	\$ 89

Europe

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings	\$ 245	\$ 213	\$ 201
Items excluded from base earnings			
Actuarial assumption changes and other management actions (pre-tax)	\$ (9)	\$ 59	\$ 22
Income tax (expense) benefit	1	(13)	(4)
Market-related impacts on liabilities (pre-tax)	(15)	19	(25)
Income tax (expense) benefit	3	(1)	1
Transaction costs related to acquisitions (pre-tax)	(6)	(24)	—
Income tax (expense) benefit	—	—	—
Net gain/charge on business dispositions (pre-tax)	—	(14)	—
Income tax (expense) benefit	—	—	—
Net earnings - common shareholders	\$ 219	\$ 239	\$ 195

Capital and Risk Solutions

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings	\$ 170	\$ 145	\$ 145
Items excluded from base earnings			
Actuarial assumption changes and other management actions (pre-tax)	\$ (1)	\$ (15)	\$ —
Income tax (expense) benefit	—	3	—
Net earnings - common shareholder	\$ 169	\$ 133	\$ 145

GREAT-WEST LIFECO INC.

Lifeco Corporate

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Base earnings (loss)	\$ 2	\$ (6)	\$ (9)
Net earnings (loss) - common shareholder	\$ 2	\$ (6)	\$ (9)

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. This measure provides an indicator of top-line growth.

Premiums and deposits

	For the three months ended		
	March 31 2022	Dec. 31 2021	March 31 2021
Total net premiums ⁽¹⁾	\$ 14,051	\$ 12,989	\$ 13,152
Policyholder deposits (segregated funds) ⁽²⁾	8,273	8,337	7,953
Self-funded premium equivalents (ASO contracts) and other	2,893	4,556	1,703
Proprietary mutual funds and institutional deposits	18,941	21,772	22,255
Total premiums and deposits⁽¹⁾	\$ 44,158	\$ 47,654	\$ 45,063

⁽¹⁾ Comparative figures for the three months ended March 31, 2021 have been restated relating to an immaterial classification error in the U.S. segment as described in note 16 to the Company's June 30, 2021 condensed consolidated interim unaudited financial statements.

⁽²⁾ Refer to note 9(b) of the Company's condensed consolidated interim unaudited financial statements for the period ended March 31, 2022 for further details.

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. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volumes, size and trends.

Total assets under administration includes total assets per financial statements, other assets under management and other assets under administration.

Assets under administration

	March 31 2022	Dec. 31 2021	March 31 2021
Total assets per financial statements	\$ 600,459	\$ 630,488	\$ 592,759
Other AUM	353,936	377,155	350,882
Total AUM	954,395	1,007,643	943,641
Other AUA ⁽¹⁾	1,233,311	1,283,949	1,144,368
Total AUA⁽¹⁾	\$ 2,187,706	\$ 2,291,592	\$ 2,088,009

⁽¹⁾ 2021 comparative figures have been restated to include Financial Horizons Group and Excel Private Wealth Inc. assets under administration in the Canada segment.

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 consolidated 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 GAAP and might not be comparable to similar financial measures presented by other issuers.

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

- **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.