

Supplemental Information Package  
For Analysts and Investors  
(Unaudited)

Q2 2023

Updated Template



## **Cautionary Note regarding Non-GAAP Financial Measures and Ratios**

This document 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)”, “assets under management” 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 dividend payout ratio” 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. Additional information regarding these non-GAAP financial measures and non-GAAP financial ratios has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company’s Q2 2023 Management’s Discussion and Analysis (MD&A), available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

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## **Lifeco Overview**

Great-West Lifeco Inc. (GWO, Lifeco or the Company) is a financial services holding company with interests in the life insurance, health insurance, retirement savings, investment management, and reinsurance businesses, primarily in Canada, the United States, and Europe through its operating subsidiaries including The Canada Life Assurance Company, Empower Annuity Insurance Company of America, Putnam Investments and Irish Life Group Limited. Lifeco is a member of the Power Corporation group of companies.

On May 31, 2023, the Company announced that it had reached an agreement to sell Putnam US Holdings I, LLC (Putnam Investments), excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc. (collectively, PanAgora) to Franklin Resources, Inc., operating as Franklin Templeton. The net losses and cash flows of Putnam Investments have been classified as discontinued operations within the Company's United States operating segment for Q2 2023 and comparative periods, and the related assets and liabilities have been classified as held for sale for Q2 2023.

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## Lifeco Financial Highlights

(C\$MM, unless otherwise stated)

	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Common shareholder earnings (loss) - by segment</b>									
<b>Base earnings (loss)<sup>1,3</sup></b>									
Canada	—	278	260	340	340	224	278	564	1,164
U.S. <sup>3</sup>	—	218	215	214	164	144	218	308	737
Europe	—	178	256	203	210	176	178	386	845
Capital and Risk Solutions	—	157	181	56	190	171	157	361	598
Corporate	—	(5)	(18)	(4)	(1)	(3)	(5)	(4)	(26)
<b>Lifeco base earnings<sup>1,3</sup></b>	<b>—</b>	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Net earnings (loss) - common shareholders</b>									
Canada	—	233	352	274	362	443	233	805	1,431
U.S.	—	151	142	155	23	112	151	135	432
Europe	—	40	(25)	433	250	544	40	794	1,202
Capital and Risk Solutions	—	184	3	126	179	234	184	413	542
Corporate	—	(13)	(20)	(1)	9	1	(13)	10	(11)
<b>Lifeco net earnings - common shareholders</b>	<b>—</b>	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>
<b>Earnings per common share</b>									
Base earnings (Basic) <sup>2</sup>	\$—	\$0.89	\$0.96	\$0.87	\$0.97	\$0.76	\$0.89	\$1.73	\$3.56
Net earnings (Basic)	\$—	\$0.64	\$0.48	\$1.06	\$0.88	\$1.43	\$0.64	\$2.32	\$3.86
<b>Constant currency</b>									
Base earnings (loss)	—				903				
Net earnings (loss)	—				823				
<b>Currency translation rates</b>									
(C\$ / US\$) - Balance sheet	\$—	\$1.35	\$1.35	\$1.38	\$1.29	\$1.25			
(C\$ / US\$) - Income and expenses	\$—	\$1.35	\$1.36	\$1.31	\$1.28	\$1.27			
(C\$ / £) - Balance sheet	\$—	\$1.67	\$1.64	\$1.54	\$1.57	\$1.64			
(C\$ / £) - Income and expenses	\$—	\$1.64	\$1.59	\$1.54	\$1.60	\$1.70			
(C\$ / €) - Balance sheet	\$—	\$1.47	\$1.45	\$1.35	\$1.35	\$1.38			
(C\$ / €) - Income and expenses	\$—	\$1.45	\$1.39	\$1.31	\$1.36	\$1.42			

<sup>1</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>2</sup> This metric is a non-GAAP ratio. Additional information regarding this non-GAAP ratio has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>3</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

## Lifeco Financial Highlights - Continued

	2023		2022			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Canada Life Assurance Company - LICAT Ratio</b>	— %	127 %				
<b>Canada Life Assurance Company - LICAT Ratio - proforma<sup>1</sup></b>			130 %	129 %	126 %	127 %
<b>Dividends</b>						
Common dividends declared / share	\$—	\$0.520	\$0.520	\$0.490	\$0.490	\$0.490
Common dividends paid / share	\$—	\$0.520	\$0.490	\$0.490	\$0.490	\$0.490
Base dividend payout ratio <sup>2</sup>	— %	58.7 %	51.0 %	56.5 %	50.6 %	64.1 %
Dividend payout ratio <sup>3</sup>	— %	81.3 %	102.1 %	46.2 %	55.7 %	34.3 %
Dividend yield (annualized) <sup>4</sup>	— %	5.8 %	6.3 %	6.6 %	6.2 %	5.3 %
<b>Ratios</b>						
Return on equity (ROE) <sup>5</sup>						
Base ROE <sup>1,5</sup>	— %	16.1 %	15.8 %			
ROE <sup>5</sup>	— %	13.4 %	17.2 %			
P/E ratio (rolling 4 qtrs - net earnings) <sup>6</sup>	X	11.7X	8.9X			
P/Book value ratio <sup>7</sup>	X	1.5X	1.3X			
Book value per common share <sup>8</sup>	—	23.45	23.28	22.97	22.11	21.65
Financial leverage ratio <sup>9</sup>	— %	33 %	33 %	33 %	33 %	33 %
<b>Share price</b>						
High	\$—	\$37.51	\$32.22	\$33.27	\$37.25	\$41.35
Low	\$—	\$31.52	\$28.66	\$29.82	\$30.56	\$35.60
Close	\$—	\$35.82	\$31.30	\$29.82	\$31.43	\$36.84
<b>Share information</b>						
Total shares outstanding (mm)	—	931.7	931.9	931.8	931.8	931.8
Average common shares outstanding - basic	—	932.0	931.8	931.8	931.8	931.3
Majority shareholder beneficial ownership (mm)	—	657.6	657.6	657.6	657.6	657.6
Public float shares (mm)	—	274.1	274.3	274.2	274.2	274.2
Total market capitalization (mm)	—	\$33,373	\$29,167	\$27,787	\$29,286	\$34,328
Public float (mm)	—	\$9,819	\$8,585	\$8,177	\$8,618	\$10,102

<sup>1</sup> Proforma estimates of the Canada Life Assurance Company consolidated LICAT ratio are estimated based on the retrospective application of the 2023 LICAT Guideline to 2022 financial results which have been restated to reflect the adoption of IFRS 17 and IFRS 9. Proforma LICAT ratios are intended only to provide an estimate of the direction and magnitude of the impact of adopting the 2023 LICAT Guideline under IFRS 17. Refer to the Cautionary Notes at the beginning of the Company's Q2 2023 MD&A for additional information on the use of proforma estimates.

<sup>2</sup> This metric is a non-GAAP ratio. Additional information regarding this non-GAAP ratio has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>3</sup> Common dividends paid per share / net earnings per common share (basic)

<sup>4</sup> Common dividends paid per share \* 4 / quarterly closing share price

<sup>5</sup> Base/net earnings (loss) for the trailing four quarters are divided by the average common shareholders' equity over the trailing four quarters. Accordingly, base and net ROEs for Q1 2022, Q2 2022 and Q3 2022 are not available on an IFRS17/9 basis.

<sup>6</sup> Closing share price / Rolling 4 quarters net EPS

<sup>7</sup> Closing share price / Book value per share

<sup>8</sup> Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com)

<sup>9</sup> The calculation of the financial leverage ratio includes the after-tax non-par CSM (excluding seg funds) balance in the denominator. This reflects that the CSM represents future profit and is considered available capital under LICAT. These ratios are estimates based on available data.

## Lifeco Financial Highlights - Continued

	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Sales and net asset flows<sup>1</sup></b>									
Workplace - Life & Health net sales	—	222	144	144	143	253	222	396	684
Workplace - Retirement net asset flows <sup>5,7</sup>	—	9,909	5,344	8,026	(5,699)	36,023	9,909	30,324	43,694
Individual Wealth & Asset Management net asset flows <sup>6,7</sup>	—	6,090	3,048	1,378	630	5,232	6,090	5,862	10,288
Insurance & Annuities sales	—	579	1,125	1,139	1,097	1,324	579	2,421	4,685
<b>Fee and other income<sup>2,3</sup></b>									
Workplace Solutions	—	1,019	1,001	931	949	819	1,019	1,768	3,700
Individual Wealth & Asset Management	—	372	366	342	358	363	372	721	1,429
Insurance & Annuities	—	3	—	—	3	—	3	3	3
Corporate	—	6	5	7	7	7	6	14	26
<b>Total fee and other income</b>	<b>—</b>	<b>1,400</b>	<b>1,372</b>	<b>1,280</b>	<b>1,317</b>	<b>1,189</b>	<b>1,400</b>	<b>2,506</b>	<b>5,158</b>
<b>Group Life &amp; Health book premiums<sup>1</sup></b>	<b>—</b>	<b>14,813</b>	<b>14,280</b>	<b>13,945</b>	<b>13,859</b>	<b>13,773</b>			
<b>Assets under administration<sup>4</sup></b>									
Total balance sheet assets	—	691,853	672,206						
Total assets under management <sup>4</sup>	—	1,040,214	1,003,940						
Total assets under administration <sup>4</sup>	—	2,596,151	2,468,463						
<b>Contractual Service Margin (CSM)</b>									
Canada	—	1,268	1,264	1,332	1,646	1,634			
United States	—	38	41	40	38	29			
Europe	—	2,837	2,771	2,584	2,467	2,482			
Capital and Risk Solutions	—	1,762	1,796	1,720	1,600	1,646			
<b>Total CSM, excluding participating and segregated fund products</b>	<b>—</b>	<b>5,905</b>	<b>5,872</b>	<b>5,676</b>	<b>5,751</b>	<b>5,791</b>			
Total CSM, segregated fund products	—	3,671	3,557	3,342	3,514	3,437			
Total CSM, participating products	—	3,467	3,694	3,582	3,551	3,021			
<b>Total CSM</b>	<b>—</b>	<b>13,043</b>	<b>13,123</b>	<b>12,600</b>	<b>12,816</b>	<b>12,249</b>			
<b>Select constant currency measures</b>									
Workplace - Retirement net asset flows	—				(5,699)				
Individual Wealth & Asset Management net asset flows	—				630				
Total fee and other income	—				1,317				

<sup>1</sup> Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com)

<sup>2</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

<sup>3</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.




<sup>4</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>5</sup> Comparative results for the period ended June 30, 2022 do not include \$403.3 billion (US\$315.1 billion) in transfers related to the Prudential acquisition.

<sup>6</sup> Comparative results for the period ended June 30, 2022 do not include \$7.8 billion (US\$6.1 billion) in transfers related to the Prudential acquisition.

<sup>7</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

## Lifeco Value Drivers

		Operating Segments <sup>1</sup>			
Value Drivers		Canada	U.S.	Europe	Capital and Risk Solutions
	Workplace Solutions	Group Life & Health Group Retirement	Empower Defined Contribution	Group Life & Health Group Retirement	
	Wealth & Asset Management	Individual Wealth Management	Empower Personal Wealth Asset Management <sup>2</sup>	Individual Wealth & Asset Management	
	Insurance & Risk Solutions	Insurance & Annuities		Insurance & Annuities	Reinsurance

<sup>1</sup> Certain business units have been realigned within operating segments to map consistently to value drivers

<sup>2</sup> Includes results of PanAgora Asset Management which will be retained by the Company subsequent to the sale of Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.



## Lifeco Base Earnings

(C\$MM)	2023		2022				YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022
<b>Canada</b>									
Workplace Solutions	—	159	141	167	213	110	159	323	631
Individual Wealth Management	—	61	44	60	52	43	61	95	199
Insurance & Annuities	—	43	120	110	65	63	43	128	358
Corporate	—	15	(45)	3	10	8	15	18	(24)
	—	<b>278</b>	<b>260</b>	<b>340</b>	<b>340</b>	<b>224</b>	<b>278</b>	<b>564</b>	<b>1,164</b>
<b>U.S.</b>									
Empower Defined Contribution	—	224	183	203	156	142	224	298	684
Empower Personal Wealth	—	27	40	36	17	10	27	27	103
Asset Management <sup>1</sup>	—	(5)	6	(5)	(2)	1	(5)	(1)	—
Corporate <sup>1</sup>	—	(28)	(14)	(20)	(7)	(9)	(28)	(16)	(50)
	—	<b>218</b>	<b>215</b>	<b>214</b>	<b>164</b>	<b>144</b>	<b>218</b>	<b>308</b>	<b>737</b>
<b>Europe<sup>2</sup></b>									
Workplace Solutions	—	62	33	70	74	58	62	132	235
Individual Wealth & Asset Management	—	36	63	65	67	60	36	127	255
Insurance & Annuities	—	96	163	68	68	57	96	125	356
Corporate	—	(16)	(3)	—	1	1	(16)	2	(1)
	—	<b>178</b>	<b>256</b>	<b>203</b>	<b>210</b>	<b>176</b>	<b>178</b>	<b>386</b>	<b>845</b>
<b>Capital and Risk Solutions</b>									
Reinsurance	—	153	179	65	189	174	153	363	607
Corporate	—	4	2	(9)	1	(3)	4	(2)	(9)
	—	<b>157</b>	<b>181</b>	<b>56</b>	<b>190</b>	<b>171</b>	<b>157</b>	<b>361</b>	<b>598</b>
<b>Lifeco Corporate</b>									
Corporate	—	(5)	(18)	(4)	(1)	(3)	(5)	(4)	(26)
<b>Lifeco base earnings</b>	—	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Lifeco<sup>2</sup></b>									
Workplace Solutions	—	445	357	440	443	310	445	753	1,550
Wealth & Asset Management <sup>1</sup>	—	119	153	156	134	114	119	248	557
Insurance & Risk Solutions	—	292	462	243	322	294	292	616	1,321
Corporate <sup>1</sup>	—	(30)	(78)	(30)	4	(6)	(30)	(2)	(110)
<b>Lifeco base earnings</b>	—	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(168)	(386)	151	79	686	(168)	765	530
Assumption changes and management actions	—	7	(29)	85	(15)	(18)	7	(33)	23
Restructuring costs	—	—	(4)	(21)	(12)	—	—	(12)	(37)
Integration costs	—	(19)	(28)	(22)	(32)	(12)	(19)	(44)	(94)
Acquisition and divestiture costs	—	—	(5)	20	(57)	(7)	—	(64)	(49)
Tax legislative changes impact	—	—	63	—	—	—	—	—	63
Amortization of acquisition-related finite life intangibles	—	(32)	(27)	(36)	(36)	(27)	(32)	(63)	(126)
Discontinued operations <sup>1</sup>	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Lifeco net earnings - common shareholders</b>	—	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

<sup>2</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

## The Canada Life Assurance Company - LICAT

LICAT ratio for the Canada Life Assurance Company is disclosed according to OSFI's LICAT 2023 Guideline effective January 1, 2023.

The 2023 Guideline specifies that Available Capital for LICAT purposes includes the Contractual Service Margin (CSM).

(C\$MM unless otherwise stated)

	IFRS 17		IFRS 4			
	2023		2022			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Available Capital:</b>						
<b>Tier 1 Capital</b>						
Common shares	—	7,884	7,884	7,884	7,884	7,884
Adjusted Retained Earnings (including CSM)	—	21,084	14,684	14,418	14,026	13,593
Other Tier 1	—	2,719	2,913	2,123	2,322	2,675
Less: Goodwill & Intangibles	—	(8,580)	(8,518)	(8,410)	(8,389)	(8,441)
Less: Other Deductions	—	(4,584)	(3,762)	(3,816)	(3,852)	(3,673)
<b>Total Tier 1 Capital</b>	—	<b>18,523</b>	<b>13,201</b>	<b>12,199</b>	<b>11,991</b>	<b>12,038</b>
<b>Tier 2 Capital</b>	—	<b>5,225</b>	<b>4,644</b>	<b>4,624</b>	<b>4,554</b>	<b>4,484</b>
<b>Available Capital</b>	—	<b>23,748</b>	<b>17,845</b>	<b>16,823</b>	<b>16,545</b>	<b>16,522</b>
<b>Surplus Allowance and Eligible Deposits</b>	—	<b>5,322</b>	<b>10,531</b>	<b>10,297</b>	<b>10,626</b>	<b>11,790</b>
<b>Total Capital Resources</b>	—	<b>29,070</b>	<b>28,376</b>	<b>27,120</b>	<b>27,171</b>	<b>28,312</b>
<b>Base Solvency Buffers</b>						
Non-Participating Business:						
Credit Risk	—	2,794	2,776	2,729	2,796	2,981
Market Risk	—	3,490	2,867	2,738	2,684	2,582
Insurance Risk, Net of Adjustable Credits	—	13,829	13,567	12,968	13,071	13,169
	—	<b>20,113</b>	<b>19,210</b>	<b>18,435</b>	<b>18,551</b>	<b>18,732</b>
Participating Business Total Risk	—	3,897	4,099	4,201	4,606	4,767
Less: Diversification & Other Credits	—	(4,241)	(4,055)	(3,918)	(4,086)	(4,099)
Segregated Fund Guarantee Risk	—	449	375	357	310	361
Operational Risk	—	2,708	2,830	2,748	2,795	2,854
<b>Solvency Buffers prior to OSFI scalar</b>	—	<b>22,926</b>	<b>22,459</b>	<b>21,823</b>	<b>22,176</b>	<b>22,615</b>
<b>Base Solvency Buffer</b>	—	<b>22,926</b>	<b>23,582</b>	<b>22,914</b>	<b>23,285</b>	<b>23,745</b>

\* OSFI scalar = 1.0 for 2023 and later; 1.05 for periods prior to 2023

### LICAT Ratios:

Total Ratio <sup>1</sup> (OSFI Supervisory Target = 100%)	— %	127 %	120 %	118 %	117 %	119 %
Core Ratio <sup>2</sup> (OSFI Supervisory Target = 70%)	— %	97 %	87 %	85 %	83 %	85 %
Proforma IFRS 17 Total Ratio <sup>3</sup>			130 %	129 %	126 %	127 %

<sup>1</sup> Total Ratio = Total Capital Resources / Base Solvency Buffer (incl Scalar)

<sup>2</sup> Core Ratio = [Total Tier 1 Capital + 70% (Surplus Allowance and Eligible Deposits)] / Base Solvency Buffer (incl Scalar)

<sup>3</sup> Proforma estimates of the Canada Life Assurance Company consolidated LICAT ratio are estimated based on the retrospective application of the 2023 LICAT Guideline to 2022 financial results which have been restated to reflect the adoption of IFRS 17 and IFRS 9. Proforma LICAT ratios are intended only to provide an estimate of the direction and magnitude of the impact of adopting the 2023 LICAT Guideline under IFRS 17. Refer to the Cautionary Notes at the beginning of the Company's Q2 2023 MD&A for additional information on the use of proforma estimates.

Lifeco Statement of Net Earnings<sup>1</sup>

(C\$MM, except Earnings per common share)

	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Insurance service result</b>									
Insurance revenue	—	5,037	5,442	4,648	4,762	4,780	5,037	9,542	19,632
Insurance service expenses	—	(3,995)	(4,368)	(3,622)	(3,545)	(3,737)	(3,995)	(7,282)	(15,272)
Net expense from reinsurance contracts	—	(342)	(376)	(374)	(419)	(362)	(342)	(781)	(1,531)
	—	700	698	652	798	681	700	1,479	2,829
<b>Net investment result</b>									
Total net investment income <sup>2</sup>	—	5,673	3,436	(5,372)	(11,660)	(9,810)	5,673	(21,470)	(23,406)
Net finance income (expenses) from insurance contracts	—	(3,570)	(1,611)	3,180	9,013	8,227	(3,570)	17,240	18,809
Net finance income (expenses) from reinsurance contracts	—	93	(94)	(160)	(544)	(453)	93	(997)	(1,251)
Changes in investment contract liabilities	—	(1,882)	(1,668)	3,157	3,775	3,190	(1,882)	6,965	8,454
	—	314	63	805	584	1,154	314	1,738	2,606
<b>Other income and expenses</b>									
Fee and other income	—	1,400	1,372	1,280	1,317	1,189	1,400	2,506	5,158
Operating and administrative expenses	—	(1,529)	(1,561)	(1,336)	(1,468)	(1,239)	(1,529)	(2,707)	(5,604)
Amortization of finite life intangible assets	—	(90)	(89)	(96)	(89)	(80)	(90)	(169)	(354)
Financing costs	—	(115)	(113)	(97)	(95)	(88)	(115)	(183)	(393)
Restructuring and integration expenses	—	(26)	(43)	(58)	(60)	(17)	(26)	(77)	(178)
<b>Earnings before income taxes</b>	—	654	327	1,150	987	1,600	654	2,587	4,064
Income taxes - Current	—	174	81	91	94	155	174	249	421
- Deferred	—	(144)	(136)	28	29	52	(144)	81	(27)
<b>Net earnings from continuing operations</b>	—	624	382	1,031	864	1,393	624	2,257	3,670
Net earnings from discontinued operations	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Net earnings before non-controlling interests</b>	—	605	356	1,032	857	1,393	605	2,250	3,638
Attributable to non-controlling interests	—	(22)	(129)	13	1	27	(22)	28	(88)
<b>Net earnings</b>	—	<b>627</b>	<b>485</b>	<b>1,019</b>	<b>856</b>	<b>1,366</b>	<b>627</b>	<b>2,222</b>	<b>3,726</b>
Preferred share dividends	—	32	33	32	33	32	32	65	130
<b>Net earnings - common shareholders</b>	—	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>
<b>Base earnings</b>	—	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Earnings per common share</b>									
Net earnings (Basic)	—	0.64	0.48	1.06	0.88	1.43	0.64	2.32	3.86
Base earnings (Basic)	—	0.89	0.96	0.87	0.97	0.76	0.89	1.73	3.56

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

<sup>2</sup> The total net investment income includes net investment income and changes in fair value through profit or loss assets.

Lifeco - Drivers of Earnings - Common Shareholders<sup>1</sup>

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Expected insurance earnings	—	713	700	675	694	678	713	1,372	2,747
Risk adjustment release	—	109	113	112	120	124	109	244	469
CSM recognized for services provided	—	249	243	232	247	237	249	484	959
Short-term insurance contracts	—	355	344	331	327	317	355	644	1,319
Impact of new insurance business	—	(1)	(2)	(1)	(1)	(4)	(1)	(5)	(8)
Insurance experience gains and losses	—	(53)	(24)	(52)	91	(30)	(53)	61	(15)
<b>Base earnings - net insurance service result</b>	<b>—</b>	<b>659</b>	<b>674</b>	<b>622</b>	<b>784</b>	<b>644</b>	<b>659</b>	<b>1,428</b>	<b>2,724</b>
Expected investment earnings	—	93	154	152	125	91	93	216	522
Earnings on surplus	—	125	110	57	73	54	125	127	294
<b>Base earnings - net investment result</b>	<b>—</b>	<b>218</b>	<b>264</b>	<b>209</b>	<b>198</b>	<b>145</b>	<b>218</b>	<b>343</b>	<b>816</b>
Net fee and spread income	—	377	407	363	289	310	377	599	1,369
Non-directly attributable and other expenses	—	(293)	(325)	(279)	(229)	(279)	(293)	(508)	(1,112)
Income taxes on base earnings	—	(103)	(94)	(72)	(106)	(76)	(103)	(182)	(348)
Non-controlling interests, preferred dividends and other	—	(32)	(32)	(34)	(33)	(32)	(32)	(65)	(131)
<b>Base earnings</b>	<b>—</b>	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(168)	(386)	151	79	686	(168)	765	530
Assumption changes and management actions	—	7	(29)	85	(15)	(18)	7	(33)	23
Restructuring costs	—	—	(4)	(21)	(12)	—	—	(12)	(37)
Integration costs	—	(19)	(28)	(22)	(32)	(12)	(19)	(44)	(94)
Acquisition and divestiture costs	—	—	(5)	20	(57)	(7)	—	(64)	(49)
Tax legislative changes impact	—	—	63	—	—	—	—	—	63
Amortization of acquisition-related finite life intangibles	—	(32)	(27)	(36)	(36)	(27)	(32)	(63)	(126)
Discontinued operations	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>(231)</b>	<b>(442)</b>	<b>178</b>	<b>(80)</b>	<b>622</b>	<b>(231)</b>	<b>542</b>	<b>278</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>
<b>Base earnings (loss)<sup>2</sup></b>									
Workplace Solutions	—	445	357	440	443	310	445	753	1,550
Wealth & Asset Management	—	119	153	156	134	114	119	248	557
Insurance & Risk Solutions	—	292	462	243	322	294	292	616	1,321
Corporate	—	(30)	(78)	(30)	4	(6)	(30)	(2)	(110)
<b>Lifeco base earnings</b>	<b>—</b>	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

<sup>2</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

**Lifeco Balance Sheets - Assets***(C\$MM, unless otherwise stated)*

	<b>Jun 30</b>	<b>Mar 31</b>	<b>Dec 31</b>	<b>Jan 1</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
			(Restated)	(Restated)
<b>Assets</b>				
Cash and cash equivalents	—	6,666	7,290	6,075
Bonds	—	158,252	156,091	142,655
Mortgage loans	—	37,643	37,197	29,357
Stocks	—	15,309	14,301	14,225
Investment properties	—	8,328	8,344	7,763
Total invested assets	—	226,198	223,223	200,075
Insurance contract assets	—	1,158	1,140	1,533
Reinsurance contract held assets	—	17,601	17,571	21,843
Goodwill	—	10,623	10,611	9,107
Intangible assets	—	6,223	6,230	5,514
Derivative financial instruments	—	2,158	2,314	967
Owner occupied properties	—	724	724	736
Fixed assets	—	403	399	422
Accounts and interest receivable	—	4,420	4,355	3,210
Assets held for sale <sup>2</sup>	—	—	—	—
Other assets	—	15,450	15,949	14,435
Current income taxes	—	170	338	268
Deferred tax assets	—	1,579	1,470	1,325
Investments on account of segregated fund policyholders	—	405,146	387,882	357,419
<b>Total assets</b>	<b>—</b>	<b>691,853</b>	<b>672,206</b>	<b>616,854</b>
<b>Other assets under management<sup>1</sup></b>	<b>—</b>	<b>348,361</b>	<b>331,734</b>	<b>377,155</b>
<b>Other assets under administration<sup>1</sup></b>	<b>—</b>	<b>1,555,937</b>	<b>1,464,523</b>	<b>1,283,949</b>
<b>Total assets under administration</b>	<b>—</b>	<b>2,596,151</b>	<b>2,468,463</b>	<b>2,277,958</b>

<sup>1</sup> Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>2</sup> On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions. Beginning Q2 2023, the related assets have been classified as assets held for sale.

## Lifeco Balance Sheets - Liabilities and Equity

(C\$MM, unless otherwise stated)

	Jun 30 2023	Mar 31 2023	Dec 31 2022 (Restated)	Jan 1 2022 (Restated)
<b>Liabilities</b>				
Insurance contract liabilities	—	138,765	135,438	157,910
Investment contract liabilities	—	94,612	94,810	53,694
Reinsurance contract held liabilities	—	549	537	1,290
Liabilities held for sale <sup>1</sup>	—	—	—	—
Debentures and other debt instruments	—	10,311	10,509	8,804
Derivative financial instruments	—	1,508	1,639	1,030
Accounts payable	—	2,347	2,758	2,469
Other liabilities	—	8,663	8,913	6,293
Current income taxes	—	170	152	193
Deferred tax liabilities	—	745	773	677
Insurance contracts on account of segregated fund policyholders	—	59,435	57,841	65,253
Investment contracts on account of segregated fund policyholders	—	345,711	330,041	292,166
<b>Total liabilities</b>	<b>—</b>	<b>662,816</b>	<b>643,411</b>	<b>589,779</b>
<b>Equity</b>				
Non-controlling interests				
Participating account surplus in subsidiaries	—	2,778	2,734	2,984
Non-controlling interests in subsidiaries	—	190	152	129
Shareholders' equity				
Share capital				
Limited recourse capital notes	—	1,500	1,500	1,500
Preferred shares	—	2,720	2,720	2,720
Common shares	—	5,804	5,791	5,748
Accumulated surplus	—	14,942	14,976	13,216
Accumulated other comprehensive income	—	905	713	586
Contributed surplus	—	198	209	192
<b>Total equity</b>	<b>—</b>	<b>29,037</b>	<b>28,795</b>	<b>27,075</b>
<b>Total liabilities and equity</b>	<b>—</b>	<b>691,853</b>	<b>672,206</b>	<b>616,854</b>

<sup>1</sup> On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions. Beginning Q2 2023, the related liabilities have been classified as liabilities held for sale.

# Q2 2023 Quarterly Information Package

## Lifeco Supplemental Balance Sheet Information

(C\$MM, unless otherwise stated)

### Total Bond Portfolio Quality

	2023		2022
	Q2	Q1	Q4
AAA	—	24,373	25,397
AA	—	32,333	31,614
A	—	55,274	53,864
BBB	—	44,578	43,482
BB or Lower	—	1,694	1,734
Total	—	158,252	156,091
Short-term bonds included in total	—	4,135	4,241

### Corporate and Non-Agency Securitized Bonds

#### Corporate

	2023		2022
	Q2	Q1	Q4
Electric utilities	—	16,056	15,561
Consumer products	—	15,431	15,197
Industrial products	—	12,296	12,051
Banks	—	9,235	9,553
Financial services	—	7,685	7,574
Energy	—	6,662	6,526
Real estate	—	6,486	6,322
Transportation	—	6,313	6,063
Technology	—	5,233	4,881
Communications	—	3,772	3,640
Gas utilities	—	3,225	2,986
Auto & auto parts	—	2,587	2,460
Other utilities	—	2,327	2,222
Total	—	97,308	95,036

#### Non-Agency Securitized

CMBS	—	5,489	5,565
RMBS	—	184	211
Other ABS	—	12,586	12,442
Total	—	18,259	18,218

### Segregated Fund Net Assets

	2023		2022
	Q2	Q1	Q4
Stocks, mutual funds and units in unit trusts	—	301,715	286,322
Bonds	—	72,893	69,371
Mortgage loans	—	2,080	2,159
Investment properties	—	12,907	13,035
Cash and cash equivalents and other <sup>1</sup>	—	15,551	16,995
Total	—	405,146	387,882

<sup>1</sup> Other includes accrued income, other liabilities and non-controlling mutual funds interest.

### Mortgage Loan Portfolio

	Non-		Total
	Insured	Insured	
<b>Q2 2023</b>			
Single-family residential	—	—	—
Multi-family residential	—	—	—
Equity Release	—	—	—
Commercial	—	—	—
Total Mortgage Loans	—	—	—
<b>Q1 2023</b>			
Single-family residential	383	1,322	1,705
Multi-family residential	2,560	7,001	9,561
Equity Release	—	3,654	3,654
Commercial	—	22,723	22,723
Total Mortgage Loans	2,943	34,700	37,643
<b>Q4 2022</b>			
Single-family residential	392	1,346	1,738
Multi-family residential	2,595	7,033	9,628
Equity Release	—	3,371	3,371
Commercial	—	22,460	22,460
Total Mortgage Loans	2,987	34,210	37,197

# Q2 2023 Quarterly Information Package

## Lifeco Capital Structure

(C\$MM)

LIABILITIES	2023		2022	EQUITY	2023		2022
	Q2	Q1	Q4		Q2	Q1	Q4
<b>Short-term</b>				<b>Non-Controlling Interests</b>			
Commercial paper and other short-term debt instruments, unsecured	—	135	135	Non-controlling interest in capital stock & surplus	—	190	152
Putnam revolving credit facility	—	40	67				
Great-West Lifeco U.S. LLC non-revolving credit facility <sup>1</sup>	—	473	675	Undistributed Participating Account Surplus			
<b>Total short-term</b>	<b>—</b>	<b>648</b>	<b>877</b>	Canada Life	—	2,775	2,733
				Empower	—	3	1
					<b>—</b>	<b>2,778</b>	<b>2,734</b>
<b>Long-term</b>				<b>Total Non-Controlling Interest</b>	<b>—</b>	<b>2,968</b>	<b>2,886</b>
<b>Lifeco</b>				<b>Lifeco</b>			
6.74% Debentures due November 24, 2031, unsecured	—	196	196	Series 1 3.60% Limited Recourse Capital Notes <sup>2</sup>	—	1,500	1,500
6.67% Debentures due March 21, 2033, unsecured	—	395	395	Series G 5.20% Non-Cumulative Preferreds	—	300	300
5.998% Debentures due November 16, 2039, unsecured	—	343	343	Series H 4.85% Non-Cumulative Preferreds	—	300	300
4.70% Senior bonds due November 16, 2029, unsecured, (€500)	—	731	721	Series I 4.50% Non-Cumulative Preferreds	—	300	300
3.337% Debentures due February 28, 2028, unsecured	—	498	498	Series L 5.65% Non-Cumulative Preferreds	—	170	170
2.981% Debentures due July 8, 2050, unsecured	—	494	494	Series M 5.80% Non-Cumulative Preferreds	—	150	150
2.50% Debentures due April 18, 2023, unsecured, (€500)	—	735	725	Series N 1.749% Non-Cumulative Rate Reset Preferreds <sup>3</sup>	—	250	250
2.379% Debentures due May 14, 2030, unsecured	—	597	597	Series P 5.40% Non-Cumulative Preferreds	—	250	250
1.75% Debentures due December 7, 2026, unsecured, (€500)	—	733	722	Series Q 5.15% Non-Cumulative Preferreds	—	200	200
				Series R 4.80% Non-Cumulative Preferreds	—	200	200
<b>Canada Life</b>				Series S 5.25% Non-Cumulative Preferreds	—	200	200
6.40% Subordinated debentures due December 11, 2028, unsecured	—	100	100	Series T 5.15% Non-Cumulative Preferreds	—	200	200
				Series Y 4.50% Non-Cumulative Preferreds	—	200	200
					<b>—</b>	<b>2,720</b>	<b>2,720</b>
<b>Great-West Lifeco Finance 2018, LP</b>				Common Stock	—	5,804	5,791
4.581% Senior notes due May 17, 2048, unsecured, (U.S. \$500)	—	669	669	Accumulated & Contributed Surplus	—	15,140	15,185
4.047% Senior notes due May 17, 2028, unsecured, (U.S. \$300)	—	403	403	Accumulated Other Comprehensive Income	—	905	713
				<b>Total Equity Capital</b>	<b>—</b>	<b>27,537</b>	<b>27,295</b>
<b>Great-West Lifeco Finance (Delaware) LP</b>							
4.15% Senior notes due June 3, 2047, unsecured, (U.S. \$700)	—	930	930				
<b>Great-West Lifeco U.S. Finance 2020, LP</b>							
0.904% Senior notes due August 12, 2025, unsecured, (U.S. \$500)	—	673	672				
<b>Empower Finance 2020, LP</b>							
3.075% Senior notes due September 17, 2051, unsecured, (U.S. \$700)	—	935	935				
1.776% Senior notes due March 17, 2031, unsecured, (U.S. \$400)	—	537	537				
1.357% Senior notes due September 17, 2027, unsecured, (U.S. \$400)	—	538	538				
<b>Total Debt and Other Loans</b>	<b>—</b>	<b>10,155</b>	<b>10,352</b>				
<b>Canada Life Capital Trust (CLCT)</b>							
7.529% due June 30, 2052, unsecured, face value	—	150	150				
Acquisition related FMV adjustment	—	6	7				
	—	156	157				
Trust securities held by consolidated group	—	(37)	(37)				
Capital Trust Securities (externally held)	—	119	120				

<sup>1</sup> On March 30, 2022, Great-West Lifeco U.S. LLC, a subsidiary of the Company, established a 2-year U.S. \$500 non-revolving credit facility with interest on the drawn balance equal to a floating rate based on Adjusted Term Secured Overnight Financing Rate (SOFR).

<sup>2</sup> Fixed dividend rate per annum until December 31, 2026, at which time the dividend becomes equal to the five year Government of Canada yield plus 2.641% for the subsequent five year period.

<sup>3</sup> Fixed dividend rate per annum until December 30, 2025, at which time the dividend becomes equal to the five year Government of Canada yield plus 1.30% for the subsequent five year period.



## Lifeco Fee and Other Income

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Fee and other income</b>									
<b>Canada</b>									
Workplace Solutions	—	228	219	189	205	209	228	414	822
Individual Wealth Management	—	90	88	90	89	93	90	182	360
Corporate	—	7	6	8	8	8	7	16	30
<b>Total Canada</b>	<b>—</b>	<b>325</b>	<b>313</b>	<b>287</b>	<b>302</b>	<b>310</b>	<b>325</b>	<b>612</b>	<b>1,212</b>
<b>U.S.</b>									
Empower Defined Contribution	—	740	738	698	694	555	740	1,249	2,685
Empower Personal Wealth	—	119	112	104	101	96	119	197	413
Asset Management <sup>1</sup>	—	28	37	28	28	34	28	62	127
<b>Total U.S.</b>	<b>—</b>	<b>887</b>	<b>887</b>	<b>830</b>	<b>823</b>	<b>685</b>	<b>887</b>	<b>1,508</b>	<b>3,225</b>
<b>Europe<sup>2</sup></b>									
Workplace Solutions	—	51	44	44	50	55	51	105	193
Individual Wealth & Asset Management	—	135	129	120	140	140	135	280	529
Insurance & Annuities and Corporate	—	—	(5)	(1)	—	(2)	—	(2)	(8)
<b>Total Europe</b>	<b>—</b>	<b>186</b>	<b>168</b>	<b>163</b>	<b>190</b>	<b>193</b>	<b>186</b>	<b>383</b>	<b>714</b>
<b>Capital and Risk Solutions</b>									
Reinsurance	—	2	4	—	2	1	2	3	7
<b>Total Capital and Risk Solutions</b>	<b>—</b>	<b>2</b>	<b>4</b>	<b>—</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>7</b>
<b>Total fee and other income</b>	<b>—</b>	<b>1,400</b>	<b>1,372</b>	<b>1,280</b>	<b>1,317</b>	<b>1,189</b>	<b>1,400</b>	<b>2,506</b>	<b>5,158</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

<sup>2</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

**Lifeco Operating and Administrative Expenses<sup>1</sup>**

(C\$MM)	2023		2022				YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022
<b>Operating and administrative expenses</b>									
Salaries and other employee benefits	—	1,130	1,113	1,048	1,027	960	1,130	1,987	4,148
General and administrative	—	392	289	159	408	219	392	627	1,075
Interest expense on leases	—	3	2	2	3	3	3	6	10
Amortization of fixed assets	—	22	27	28	26	24	22	50	105
Depreciation of right-of-use assets	—	15	15	14	15	13	15	28	57
Commissions	—	415	474	481	433	459	415	892	1,847
<b>Total</b>	<b>—</b>	<b>1,977</b>	<b>1,920</b>	<b>1,732</b>	<b>1,912</b>	<b>1,678</b>	<b>1,977</b>	<b>3,590</b>	<b>7,242</b>
<b>Lifeco</b>									
Insurance service operating and administrative expenses <sup>2</sup>	—	448	359	396	444	439	448	883	1,638
Other operating and administrative expenses	—	1,529	1,561	1,336	1,468	1,239	1,529	2,707	5,604
<b>Total</b>	<b>—</b>	<b>1,977</b>	<b>1,920</b>	<b>1,732</b>	<b>1,912</b>	<b>1,678</b>	<b>1,977</b>	<b>3,590</b>	<b>7,242</b>
<b>Constant currency</b>	—				1,912				

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

<sup>2</sup> Excludes claims and benefits incurred, adjustments to the liability for incurred claims, losses and reversal of losses on onerous contracts, impairment losses and reversal of impairment losses on the asset for insurance acquisition cash flows, commissions, amounts attributed to insurance acquisition cash flows and amortization of insurance acquisition cash flows.

## Canada - Drivers of Earnings - Common Shareholders

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Expected insurance earnings	—	330	324	318	329	317	330	646	1,288
Risk adjustment release	—	33	33	31	33	31	33	64	128
CSM recognized for services provided	—	110	107	108	120	117	110	237	452
Short-term insurance contracts	—	187	184	179	176	169	187	345	708
Impact of new insurance business	—	(1)	(1)	(1)	(1)	(3)	(1)	(4)	(6)
Insurance experience gains and losses	—	(25)	(18)	43	46	(39)	(25)	7	32
<b>Base earnings - net insurance service result</b>	<b>—</b>	<b>304</b>	<b>305</b>	<b>360</b>	<b>374</b>	<b>275</b>	<b>304</b>	<b>649</b>	<b>1,314</b>
Expected investment earnings	—	15	1	24	16	20	15	36	61
Earnings on surplus	—	57	38	25	24	18	57	42	105
<b>Base earnings - net investment result</b>	<b>—</b>	<b>72</b>	<b>39</b>	<b>49</b>	<b>40</b>	<b>38</b>	<b>72</b>	<b>78</b>	<b>166</b>
Net fee and spread income	—	70	89	74	70	67	70	137	300
Non-directly attributable and other expenses	—	(96)	(122)	(99)	(60)	(111)	(96)	(171)	(392)
Income taxes on base earnings	—	(67)	(47)	(39)	(79)	(40)	(67)	(119)	(205)
Non-controlling interests, preferred dividends and other	—	(5)	(4)	(5)	(5)	(5)	(5)	(10)	(19)
<b>Base earnings (loss)</b>	<b>—</b>	<b>278</b>	<b>260</b>	<b>340</b>	<b>340</b>	<b>224</b>	<b>278</b>	<b>564</b>	<b>1,164</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(43)	61	(186)	35	226	(43)	261	136
Assumption changes and management actions	—	2	(27)	125	(9)	(2)	2	(11)	87
Tax legislative changes impact	—	—	63	—	—	—	—	—	63
Amortization of acquisition-related finite life intangibles	—	(4)	(5)	(5)	(4)	(5)	(4)	(9)	(19)
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>(45)</b>	<b>92</b>	<b>(66)</b>	<b>22</b>	<b>219</b>	<b>(45)</b>	<b>241</b>	<b>267</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>233</b>	<b>352</b>	<b>274</b>	<b>362</b>	<b>443</b>	<b>233</b>	<b>805</b>	<b>1,431</b>
<b>Base earnings (loss)</b>									
Workplace Solutions	—	159	141	167	213	110	159	323	631
Individual Wealth Management	—	61	44	60	52	43	61	95	199
Insurance & Annuities	—	43	120	110	65	63	43	128	358
Corporate	—	15	(45)	3	10	8	15	18	(24)
<b>Canada base earnings</b>	<b>—</b>	<b>278</b>	<b>260</b>	<b>340</b>	<b>340</b>	<b>224</b>	<b>278</b>	<b>564</b>	<b>1,164</b>

**Canada – Assets Under Administration<sup>1</sup>**

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Workplace Solutions<sup>1</sup></b>									
Beginning	—	58,817	55,886	56,112	61,419	63,081	58,817	63,081	63,081
Net asset flows	—	418	186	203	86	541	418	627	1,016
Market impacts & other	—	2,430	2,745	(429)	(5,393)	(2,203)	2,430	(7,596)	(5,280)
<b>Ending Workplace Solutions AUA</b>	<b>—</b>	<b>61,665</b>	<b>58,817</b>	<b>55,886</b>	<b>56,112</b>	<b>61,419</b>	<b>61,665</b>	<b>56,112</b>	<b>58,817</b>
<b>Average Workplace Solutions AUA</b>	<b>—</b>	<b>60,547</b>	<b>57,869</b>	<b>57,225</b>	<b>58,140</b>	<b>60,863</b>			
<b>Wealth &amp; Asset Management<sup>1</sup></b>									
Beginning	—	63,031	61,113	62,122	69,072	71,538	63,031	71,538	71,538
Net asset flows	—	(437)	(329)	(756)	(412)	173	(437)	(239)	(1,324)
Market impacts & other	—	1,863	2,247	(253)	(6,538)	(2,639)	1,863	(9,177)	(7,183)
<b>Ending Wealth &amp; Asset Management AUA</b>	<b>—</b>	<b>64,457</b>	<b>63,031</b>	<b>61,113</b>	<b>62,122</b>	<b>69,072</b>	<b>64,457</b>	<b>62,122</b>	<b>63,031</b>
<b>Average Wealth &amp; Asset Management AUA</b>	<b>—</b>	<b>63,716</b>	<b>62,322</b>	<b>62,265</b>	<b>65,400</b>	<b>69,364</b>			

<sup>1</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

## Canada – Sales, Net Book Premiums and CSM

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Group Life &amp; Health book premiums<sup>1</sup></b>									
Beginning	—	12,155	11,955	11,808	11,645	11,314	12,155	11,314	11,314
New sales	—	178	108	107	98	205	178	303	518
Terminations	—	(201)	(113)	(101)	(122)	(156)	(201)	(278)	(492)
Organic book growth	—	451	205	141	187	282	451	469	815
<b>Ending Group Life &amp; Health book premiums</b>	<b>—</b>	<b>12,583</b>	<b>12,155</b>	<b>11,955</b>	<b>11,808</b>	<b>11,645</b>	<b>12,583</b>	<b>11,808</b>	<b>12,155</b>
<b>CSM, excluding participating and segregated fund products</b>									
<b>Beginning</b>	<b>—</b>	<b>1,264</b>	<b>1,332</b>	<b>1,646</b>	<b>1,634</b>	<b>1,679</b>	<b>1,264</b>	<b>1,679</b>	<b>1,679</b>
Impact of new insurance business	—	10	16	10	10	8	10	18	44
Expected movements from asset returns & locked-in rates	—	10	8	8	9	10	10	19	35
CSM recognized for services provided	—	(38)	(38)	(42)	(46)	(40)	(38)	(86)	(166)
Insurance experience gains and losses	—	21	(35)	(8)	72	(23)	21	49	6
<b>Organic CSM movement</b>	<b>—</b>	<b>3</b>	<b>(49)</b>	<b>(32)</b>	<b>45</b>	<b>(45)</b>	<b>3</b>	<b>—</b>	<b>(81)</b>
Impact of change in assumptions	—	1	(19)	(282)	(33)	—	1	(33)	(334)
<b>Total CSM movement</b>	<b>—</b>	<b>4</b>	<b>(68)</b>	<b>(314)</b>	<b>12</b>	<b>(45)</b>	<b>4</b>	<b>(33)</b>	<b>(415)</b>
<b>Ending CSM, excluding participating and segregated fund products</b>	<b>—</b>	<b>1,268</b>	<b>1,264</b>	<b>1,332</b>	<b>1,646</b>	<b>1,634</b>	<b>1,268</b>	<b>1,646</b>	<b>1,264</b>
<b>Sales<sup>1</sup></b>									
<b>Group Life &amp; Health</b>	<b>—</b>	<b>180</b>	<b>138</b>	<b>116</b>	<b>101</b>	<b>255</b>	<b>180</b>	<b>356</b>	<b>610</b>
<b>Group Retirement</b>	<b>—</b>	<b>758</b>	<b>1,068</b>	<b>859</b>	<b>576</b>	<b>954</b>	<b>758</b>	<b>1,530</b>	<b>3,457</b>
Segregated fund	—	1,061	1,078	840	1,076	1,443	1,061	2,519	4,437
Mutual fund - proprietary	—	291	232	202	303	423	291	726	1,160
Mutual fund - third-party	—	1,101	959	680	839	970	1,101	1,809	3,448
Guaranteed	—	205	276	177	99	77	205	176	629
<b>Individual Wealth Management</b>	<b>—</b>	<b>2,658</b>	<b>2,545</b>	<b>1,899</b>	<b>2,317</b>	<b>2,913</b>	<b>2,658</b>	<b>5,230</b>	<b>9,674</b>
Insurance & Annuities - Insurance - Non-Participating	—	23	23	22	29	26	23	55	100
Insurance & Annuities - Insurance - Participating	—	81	107	71	68	67	81	135	313
<b>Insurance &amp; Annuities - Insurance</b>	<b>—</b>	<b>104</b>	<b>130</b>	<b>93</b>	<b>97</b>	<b>93</b>	<b>104</b>	<b>190</b>	<b>413</b>
Insurance & Annuities - Payout annuities	—	44	85	90	47	35	44	82	257
Insurance & Annuities - Single premium group annuity (SPGA)	—	8	63	32	82	55	8	137	232
<b>Insurance &amp; Annuities - Annuities</b>	<b>—</b>	<b>52</b>	<b>148</b>	<b>122</b>	<b>129</b>	<b>90</b>	<b>52</b>	<b>219</b>	<b>489</b>

<sup>1</sup> Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com)

## United States - Drivers of Earnings - Common Shareholders

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Expected insurance earnings	—	18	18	19	21	8	18	29	66
Risk adjustment release	—	1	1	1	2	1	1	3	5
CSM recognized for services provided	—	17	17	18	19	7	17	26	61
Insurance experience gains and losses	—	(5)	(2)	(2)	(15)	(4)	(5)	(19)	(23)
<b>Base earnings - net insurance service result</b>	<b>—</b>	<b>13</b>	<b>16</b>	<b>17</b>	<b>6</b>	<b>4</b>	<b>13</b>	<b>10</b>	<b>43</b>
Expected investment earnings	—	(5)	(10)	6	9	4	(5)	13	9
Earnings on surplus	—	27	41	10	19	12	27	31	82
<b>Base earnings - net investment result</b>	<b>—</b>	<b>22</b>	<b>31</b>	<b>16</b>	<b>28</b>	<b>16</b>	<b>22</b>	<b>44</b>	<b>91</b>
Net fee and spread income	—	291	292	282	193	204	291	397	971
Non-directly attributable and other expenses	—	(85)	(88)	(77)	(67)	(71)	(85)	(138)	(303)
Income taxes on base earnings	—	(25)	(38)	(26)	1	(12)	(25)	(11)	(75)
Non-controlling interests, preferred dividends and other	—	2	2	2	3	3	2	6	10
<b>Base earnings (loss)</b>	<b>—</b>	<b>218</b>	<b>215</b>	<b>214</b>	<b>164</b>	<b>144</b>	<b>218</b>	<b>308</b>	<b>737</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(5)	—	(14)	(8)	—	(5)	(8)	(22)
Restructuring costs	—	—	(4)	(21)	(12)	—	—	(12)	(37)
Integration costs	—	(19)	(28)	(22)	(32)	(12)	(19)	(44)	(94)
Acquisition and divestiture costs	—	—	—	25	(53)	(1)	—	(54)	(29)
Amortization of acquisition-related finite life intangibles	—	(24)	(15)	(28)	(29)	(19)	(24)	(48)	(91)
Discontinued operations <sup>1</sup>	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>(67)</b>	<b>(73)</b>	<b>(59)</b>	<b>(141)</b>	<b>(32)</b>	<b>(67)</b>	<b>(173)</b>	<b>(305)</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>151</b>	<b>142</b>	<b>155</b>	<b>23</b>	<b>112</b>	<b>151</b>	<b>135</b>	<b>432</b>
<b>Base earnings (loss)</b>									
Empower Defined Contribution	—	224	183	203	156	142	224	298	684
Empower Personal Wealth	—	27	40	36	17	10	27	27	103
Asset Management <sup>1</sup>	—	(5)	6	(5)	(2)	1	(5)	(1)	—
Corporate <sup>1</sup>	—	(28)	(14)	(20)	(7)	(9)	(28)	(16)	(50)
<b>U.S. base earnings</b>	<b>—</b>	<b>218</b>	<b>215</b>	<b>214</b>	<b>164</b>	<b>144</b>	<b>218</b>	<b>308</b>	<b>737</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

## Lifeco U.S. – Empower Defined Contribution

(US\$MM, unless otherwise stated)

	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Net revenue<sup>1</sup></b>									
Net investment result	—	198	222	186	175	124	198	299	707
Asset-based fee income (net)	—	294	270	292	279	235	294	514	1,076
Other fees	—	152	152	147	144	122	152	266	565
<b>Total net revenue</b>	<b>—</b>	<b>644</b>	<b>644</b>	<b>625</b>	<b>598</b>	<b>481</b>	<b>644</b>	<b>1,079</b>	<b>2,348</b>
<b>Operating expenses (net)<sup>2</sup></b>	<b>—</b>	<b>440</b>	<b>467</b>	<b>436</b>	<b>457</b>	<b>325</b>	<b>440</b>	<b>782</b>	<b>1,685</b>
<b>AUA<sup>3</sup></b>									
Beginning	—	1,256,385	1,177,591	1,225,585	1,086,035	1,118,796	1,256,385	1,118,796	1,118,796
Net asset flows	—	6,914	3,650	5,697	310,392	27,308	6,914	337,700	347,047
Market impacts & other	—	62,164	75,144	(53,691)	(170,842)	(60,069)	62,164	(230,911)	(209,458)
<b>Ending AUA</b>	<b>—</b>	<b>1,325,463</b>	<b>1,256,385</b>	<b>1,177,591</b>	<b>1,225,585</b>	<b>1,086,035</b>	<b>1,325,463</b>	<b>1,225,585</b>	<b>1,256,385</b>
<b>Ending participants (in millions)</b>	<b>—</b>	<b>17.6</b>	<b>17.3</b>	<b>17.1</b>	<b>16.9</b>	<b>13.0</b>	<b>17.6</b>	<b>16.9</b>	<b>17.3</b>
<b>Asset-based fee income (net)</b>									
Gross asset-based fees	—	396	391	394	392	316	396	708	1,493
Commissions	—	(51)	(71)	(51)	(60)	(58)	(51)	(118)	(240)
Asset-based expenses	—	(17)	(16)	(17)	(16)	(17)	(17)	(33)	(66)
Sub-advisor expenses	—	(34)	(34)	(34)	(37)	(6)	(34)	(43)	(111)
<b>Total asset-based fee income (net)</b>	<b>—</b>	<b>294</b>	<b>270</b>	<b>292</b>	<b>279</b>	<b>235</b>	<b>294</b>	<b>514</b>	<b>1,076</b>
<b>Operating expenses (net)</b>									
Operating expenses	—	491	517	487	510	348	491	858	1,862
Less: Asset-based expenses	—	(51)	(50)	(51)	(53)	(23)	(51)	(76)	(177)
<b>Operating expenses (net)</b>	<b>—</b>	<b>440</b>	<b>467</b>	<b>436</b>	<b>457</b>	<b>325</b>	<b>440</b>	<b>782</b>	<b>1,685</b>
<b>Total fees</b>									
Gross asset-based fees	—	396	391	394	392	316	396	708	1,493
Other fees	—	152	152	139	152	122	152	274	565
<b>Total fees</b>	<b>—</b>	<b>548</b>	<b>543</b>	<b>533</b>	<b>544</b>	<b>438</b>	<b>548</b>	<b>982</b>	<b>2,058</b>

<sup>1</sup> Includes net investment result, fee revenue, commissions, sub-advisor expenses, advisory services expenses<sup>2</sup> Includes all sales expenses net of deferrals, operating and administrative expenses (excludes amortization of acquisition related finite life intangible assets)<sup>3</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

## Lifeco U.S. – Empower Personal Wealth

(US\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Net revenue<sup>1</sup></b>									
Net investment result	—	37	35	32	25	14	37	39	106
AUM fees (net)	—	64	64	60	60	61	64	121	245
Other fees	—	12	10	10	10	5	12	15	35
<b>Total net revenue</b>	<b>—</b>	<b>113</b>	<b>109</b>	<b>102</b>	<b>95</b>	<b>80</b>	<b>113</b>	<b>175</b>	<b>386</b>
<b>Operating expenses (net)<sup>2</sup></b>	<b>—</b>	<b>86</b>	<b>70</b>	<b>68</b>	<b>77</b>	<b>70</b>	<b>86</b>	<b>147</b>	<b>285</b>
<b>AUM<sup>3</sup></b>									
Beginning	—	45,805	41,465	42,063	42,255	41,519	45,805	41,519	41,519
Net asset flows	—	1,288	1,865	1,599	4,406	2,451	1,288	6,857	10,321
Market impacts & other	—	2,032	2,475	(2,197)	(4,598)	(1,715)	2,032	(6,313)	(6,035)
<b>Ending AUM</b>	<b>—</b>	<b>49,125</b>	<b>45,805</b>	<b>41,465</b>	<b>42,063</b>	<b>42,255</b>	<b>49,125</b>	<b>42,063</b>	<b>45,805</b>
<b>AUA (including AUM)<sup>3</sup></b>									
Beginning	—	54,868	49,531	50,080	47,937	47,065	54,868	47,065	47,065
Net asset flows	—	3,143	2,417	1,901	8,326	2,682	3,143	11,008	15,326
Market impacts & other	—	2,804	2,920	(2,450)	(6,183)	(1,810)	2,804	(7,993)	(7,523)
<b>Ending AUA (including AUM)</b>	<b>—</b>	<b>60,815</b>	<b>54,868</b>	<b>49,531</b>	<b>50,080</b>	<b>47,937</b>	<b>60,815</b>	<b>50,080</b>	<b>54,868</b>
<b>AUM fees (net)</b>									
Gross AUM fees	—	76	73	69	69	70	76	139	281
Asset-based expenses	—	(12)	(9)	(9)	(9)	(9)	(12)	(18)	(36)
<b>AUM fees (net)</b>	<b>—</b>	<b>64</b>	<b>64</b>	<b>60</b>	<b>60</b>	<b>61</b>	<b>64</b>	<b>121</b>	<b>245</b>
<b>Operating expenses (net)</b>									
Operating expenses	—	98	79	77	86	79	98	165	321
Less: Asset-based expenses	—	(12)	(9)	(9)	(9)	(9)	(12)	(18)	(36)
<b>Operating expenses (net)</b>	<b>—</b>	<b>86</b>	<b>70</b>	<b>68</b>	<b>77</b>	<b>70</b>	<b>86</b>	<b>147</b>	<b>285</b>
<b>Total fees</b>									
Gross AUM fees	—	76	73	69	69	70	76	139	281
Other fees	—	12	10	10	10	5	12	15	35
<b>Total fees</b>	<b>—</b>	<b>88</b>	<b>83</b>	<b>79</b>	<b>79</b>	<b>75</b>	<b>88</b>	<b>154</b>	<b>316</b>

<sup>1</sup> Includes net investment result, fee revenue, sub-advisor expenses, advisory services expenses

<sup>2</sup> Includes all sales expenses net of deferrals, operating and administrative expenses (excludes amortization of acquisition related finite life intangible assets)

<sup>3</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).



**Lifeco U.S. – Asset Management – Other Assets Under Management**<sup>1,2</sup>

(US\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>PanAgora</b>									
<b>Institutional</b>									
Beginning	—	31,880	30,355	33,489	41,317	43,409	31,880	43,409	43,409
Net asset flows	—	(589)	(675)	(497)	(1,291)	(324)	(589)	(1,615)	(2,787)
Market impacts & other	—	1,748	2,200	(2,637)	(6,537)	(1,768)	1,748	(8,305)	(8,742)
<b>Ending Other Assets Under Management</b>	<b>—</b>	<b>33,039</b>	<b>31,880</b>	<b>30,355</b>	<b>33,489</b>	<b>41,317</b>	<b>33,039</b>	<b>33,489</b>	<b>31,880</b>
<b>Total Average Other Assets Under Management</b>	<b>—</b>	<b>32,789</b>	<b>32,178</b>	<b>34,095</b>	<b>37,164</b>	<b>41,307</b>	<b>32,789</b>	<b>39,235</b>	<b>36,153</b>
<b>Discontinued Operations - Putnam</b>									
Ending Other Assets Under Management - Mutual Funds	—	80,549	78,232	76,370	80,347	91,767			
Ending Other Assets Under Management - Institutional	—	55,510	54,600	51,103	53,128	59,244			
<b>Total Ending Other Assets Under Management</b>	<b>—</b>	<b>136,059</b>	<b>132,832</b>	<b>127,473</b>	<b>133,475</b>	<b>151,011</b>			
<b>Total Average Other Assets Under Management</b>	<b>—</b>	<b>135,537</b>	<b>132,813</b>	<b>135,788</b>	<b>140,744</b>	<b>152,531</b>	<b>135,537</b>	<b>146,638</b>	<b>140,401</b>
<b>Other Assets Under Management</b>									
Total Other Assets Under Management - PanAgora	—	33,039	31,880	30,355	33,489	41,317			
Total Other Assets Under Management - Discontinued Operations - Putnam	—	136,059	132,832	127,383	133,475	151,011			
<b>Total Other Assets Under Management</b>	<b>—</b>	<b>169,098</b>	<b>164,712</b>	<b>157,738</b>	<b>166,964</b>	<b>192,328</b>			

<sup>1</sup> Excludes assets for which Putnam provides investment recommendations, but has no control over implementation of investment decisions and no trading authority, including model portfolios and model-only separately managed accounts, and Putnam designed custom indices that serve as the reference benchmark for third-party insurance investment products.

<sup>2</sup> This metric is a non-GAAP financial measure. Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com)

## Europe - Drivers of Earnings - Common Shareholders

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Expected insurance earnings	—	172	164	153	157	170	172	327	644
Risk adjustment release	—	27	28	30	30	33	27	63	121
CSM recognized for services provided	—	83	78	69	70	77	83	147	294
Short-term insurance earnings	—	62	58	54	57	60	62	117	229
Impact of new insurance business	—	—	(1)	—	—	(1)	—	(1)	(2)
Insurance experience gains and losses	—	10	1	3	36	4	10	40	44
<b>Base earnings - net insurance service result</b>	<b>—</b>	<b>182</b>	<b>164</b>	<b>156</b>	<b>193</b>	<b>173</b>	<b>182</b>	<b>366</b>	<b>686</b>
Expected investment earnings	—	72	153	119	96	65	72	161	433
Earnings on surplus	—	24	15	15	15	14	24	29	59
<b>Base earnings - net investment result</b>	<b>—</b>	<b>96</b>	<b>168</b>	<b>134</b>	<b>111</b>	<b>79</b>	<b>96</b>	<b>190</b>	<b>492</b>
Net fee and spread income	—	16	26	7	26	39	16	65	98
Non-directly attributable and other expenses	—	(93)	(81)	(82)	(85)	(81)	(93)	(166)	(329)
Income taxes on base earnings	—	(7)	(7)	5	(17)	(17)	(7)	(34)	(36)
Non-controlling interests, preferred dividends and other	—	(16)	(14)	(17)	(18)	(17)	(16)	(35)	(66)
<b>Base earnings (loss)</b>	<b>—</b>	<b>178</b>	<b>256</b>	<b>203</b>	<b>210</b>	<b>176</b>	<b>178</b>	<b>386</b>	<b>845</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(139)	(262)	252	54	388	(139)	442	432
Assumption changes and management actions	—	5	(7)	(14)	(7)	(11)	5	(18)	(39)
Acquisition and divestiture costs	—	—	(5)	(5)	(4)	(6)	—	(10)	(20)
Amortization of acquisition-related finite life intangibles	—	(4)	(7)	(3)	(3)	(3)	(4)	(6)	(16)
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>(138)</b>	<b>(281)</b>	<b>230</b>	<b>40</b>	<b>368</b>	<b>(138)</b>	<b>408</b>	<b>357</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>40</b>	<b>(25)</b>	<b>433</b>	<b>250</b>	<b>544</b>	<b>40</b>	<b>794</b>	<b>1,202</b>
<b>Base earnings (loss)<sup>1</sup></b>									
Workplace Solutions	—	62	33	70	74	58	62	132	235
Individual Wealth & Asset Management	—	36	63	65	67	60	36	127	255
Insurance & Annuities	—	96	163	68	68	57	96	125	356
Corporate	—	(16)	(3)	—	1	1	(16)	2	(1)
<b>Europe base earnings</b>	<b>—</b>	<b>178</b>	<b>256</b>	<b>203</b>	<b>210</b>	<b>176</b>	<b>178</b>	<b>386</b>	<b>845</b>
<b>Base earnings (loss)</b>									
United Kingdom	—	88	154	129	113	82	88	195	478
Ireland	—	62	76	63	91	76	62	167	306
Germany	—	32	28	10	6	16	32	22	60
Corporate	—	(4)	(2)	1	—	2	(4)	2	1
<b>Europe base earnings</b>	<b>—</b>	<b>178</b>	<b>256</b>	<b>203</b>	<b>210</b>	<b>176</b>	<b>178</b>	<b>386</b>	<b>845</b>

<sup>1</sup> Following internal reviews, the mapping of certain business units to Value Drivers has been modified and comparative periods have been restated, as applicable.

**Europe – Assets Under Administration<sup>1</sup>**

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Workplace Solutions<sup>1</sup></b>									
Beginning	—	32,975	30,325	30,449	33,312	34,998	32,975	34,998	34,998
Net asset flows		157	194	359	239	801	157	1,040	1,593
Market impacts & other	—	1,468	2,456	(483)	(3,102)	(2,487)	1,468	(5,589)	(3,616)
<b>Ending Workplace Solutions AUA</b>	<b>—</b>	<b>34,600</b>	<b>32,975</b>	<b>30,325</b>	<b>30,449</b>	<b>33,312</b>	<b>34,600</b>	<b>30,449</b>	<b>32,975</b>
<b>Average Workplace Solutions AUA</b>	<b>—</b>	<b>33,788</b>	<b>31,650</b>	<b>30,387</b>	<b>31,881</b>	<b>34,155</b>	<b>33,788</b>	<b>32,724</b>	<b>33,987</b>
<b>Wealth &amp; Asset Management<sup>1</sup></b>									
Beginning	—	156,326	143,485	147,024	164,500	176,316	156,326	176,316	176,316
Net asset flows	—	3,079	1,008	295	(195)	2,064	3,079	1,869	3,172
Market impacts & other	—	7,423	11,833	(3,834)	(17,281)	(13,880)	7,423	(31,161)	(23,162)
<b>Ending Wealth &amp; Asset Management AUA</b>	<b>—</b>	<b>166,828</b>	<b>156,326</b>	<b>143,485</b>	<b>147,024</b>	<b>164,500</b>	<b>166,828</b>	<b>147,024</b>	<b>156,326</b>
<b>Average Wealth &amp; Assetment AUA</b>	<b>—</b>	<b>161,577</b>	<b>149,906</b>	<b>145,255</b>	<b>155,762</b>	<b>170,408</b>	<b>161,577</b>	<b>161,670</b>	<b>166,321</b>
<b>Insurance &amp; Risk Solutions<sup>1</sup></b>									
Beginning	—	374	351	380	434	489	374	489	489
Net asset flows	—	22	17	23	25	24	22	49	89
Market impacts & other	—	5	6	(52)	(79)	(79)	5	(158)	(204)
<b>Ending Wealth &amp; Asset Management AUA</b>	<b>—</b>	<b>401</b>	<b>374</b>	<b>351</b>	<b>380</b>	<b>434</b>	<b>401</b>	<b>380</b>	<b>374</b>
<b>Average Wealth &amp; Assetment AUA</b>	<b>—</b>	<b>388</b>	<b>363</b>	<b>366</b>	<b>407</b>	<b>462</b>	<b>388</b>	<b>435</b>	<b>432</b>

<sup>1</sup> This metric is a non-GAAP financial measure. Additional information regarding this non-GAAP financial measure has been incorporated by reference and can be found in the Non-GAAP Financial Measures and Ratios section of the Company's Q2 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

## Europe – Sales, Net Book Premiums and CSM

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Group Life &amp; Health book premiums<sup>1</sup></b>									
Beginning	—	2,125	1,990	2,051	2,128	2,117	2,125	2,117	2,117
New sales	—	44	36	37	45	48	44	93	166
Terminations	—	(63)	(26)	(29)	(37)	(39)	(63)	(76)	(131)
Organic book growth	—	43	33	8	25	26	43	51	92
FX	—	81	92	(77)	(110)	(24)	81	(134)	(119)
<b>Ending Group Life &amp; Health book premiums</b>	<b>—</b>	<b>2,230</b>	<b>2,125</b>	<b>1,990</b>	<b>2,051</b>	<b>2,128</b>	<b>2,230</b>	<b>2,051</b>	<b>2,125</b>
<b>CSM, excluding participating and segregated fund products</b>									
<b>Beginning</b>	<b>—</b>	<b>2,771</b>	<b>2,584</b>	<b>2,467</b>	<b>2,482</b>	<b>2,524</b>	<b>2,771</b>	<b>2,524</b>	<b>2,524</b>
Impact of new insurance business	—	39	63	59	33	69	39	102	224
Expected movements from asset returns & locked-in rates	—	11	8	22	6	(10)	11	(4)	26
CSM recognized for services provided	—	(54)	(55)	(47)	(41)	(51)	(54)	(92)	(194)
Insurance experience gains and losses	—	31	(14)	(25)	16	57	31	73	34
<b>Organic CSM movement</b>	<b>—</b>	<b>27</b>	<b>2</b>	<b>9</b>	<b>14</b>	<b>65</b>	<b>27</b>	<b>79</b>	<b>90</b>
Impact of change in assumptions	—	(8)	9	137	59	(1)	(8)	58	204
Currency impact	—	47	176	(29)	(88)	(106)	47	(194)	(47)
<b>Total CSM movement</b>	<b>—</b>	<b>66</b>	<b>187</b>	<b>117</b>	<b>(15)</b>	<b>(42)</b>	<b>66</b>	<b>(57)</b>	<b>247</b>
<b>Ending CSM, excluding participating and segregated fund products</b>	<b>—</b>	<b>2,837</b>	<b>2,771</b>	<b>2,584</b>	<b>2,467</b>	<b>2,482</b>	<b>2,837</b>	<b>2,467</b>	<b>2,771</b>
<b>Sales<sup>1</sup></b>									
U.K.	—	18	18	21	27	19	18	46	85
Ireland	—	5,807	4,097	4,289	3,160	5,471	5,807	8,631	17,017
<b>Workplace Solutions</b>	<b>—</b>	<b>5,825</b>	<b>4,115</b>	<b>4,310</b>	<b>3,187</b>	<b>5,490</b>	<b>5,825</b>	<b>8,677</b>	<b>17,102</b>
U.K.	—	932	772	761	1,056	931	932	1,987	3,520
Ireland	—	580	628	536	722	657	580	1,379	2,543
Germany	—	46	76	51	65	140	46	205	332
<b>Wealth and Asset Management</b>	<b>—</b>	<b>1,558</b>	<b>1,476</b>	<b>1,348</b>	<b>1,843</b>	<b>1,728</b>	<b>1,558</b>	<b>3,571</b>	<b>6,395</b>
U.K.	—	377	614	727	826	1,101	377	1,927	3,268
Ireland	—	40	227	192	40	33	40	73	492
Germany	—	6	6	5	5	7	6	12	23
<b>Insurance &amp; Annuities</b>	<b>—</b>	<b>423</b>	<b>847</b>	<b>924</b>	<b>871</b>	<b>1,141</b>	<b>423</b>	<b>2,012</b>	<b>3,783</b>

<sup>1</sup> Additional information regarding the composition of this financial measure has been incorporated by reference and can be found in the Glossary section of the Company's Q1 2023 MD&A, available for review on SEDAR at [www.sedar.com](http://www.sedar.com)

## Capital and Risk Solutions - Drivers of Earnings - Common Shareholders

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Expected insurance earnings	—	193	194	185	187	183	193	370	749
Risk adjustment release	—	48	51	50	55	59	48	114	215
CSM recognized for services provided	—	39	41	37	38	36	39	74	152
Short-term insurance contracts	—	106	102	98	94	88	106	182	382
Insurance experience gains and losses	—	(33)	(5)	(96)	24	9	(33)	33	(68)
<b>Base earnings - net insurance service result</b>	<b>—</b>	<b>160</b>	<b>189</b>	<b>89</b>	<b>211</b>	<b>192</b>	<b>160</b>	<b>403</b>	<b>681</b>
Expected investment earnings	—	11	10	3	4	2	11	6	19
Earnings on surplus	—	9	8	(3)	4	3	9	7	12
<b>Base earnings - net investment result</b>	<b>—</b>	<b>20</b>	<b>18</b>	<b>—</b>	<b>8</b>	<b>5</b>	<b>20</b>	<b>13</b>	<b>31</b>
Net fee and spread income	—	—	—	—	—	—	—	—	—
Non-directly attributable and other expenses	—	(12)	(15)	(16)	(12)	(14)	(12)	(26)	(57)
Income taxes on base earnings	—	(4)	(5)	(11)	(10)	(5)	(4)	(15)	(31)
Non-controlling interests, preferred dividends and other	—	(7)	(6)	(6)	(7)	(7)	(7)	(14)	(26)
<b>Base earnings (loss)</b>	<b>—</b>	<b>157</b>	<b>181</b>	<b>56</b>	<b>190</b>	<b>171</b>	<b>157</b>	<b>361</b>	<b>598</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	27	(183)	96	(12)	68	27	56	(31)
Assumption changes and management actions	—	—	5	(26)	1	(5)	—	(4)	(25)
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>27</b>	<b>(178)</b>	<b>70</b>	<b>(11)</b>	<b>63</b>	<b>27</b>	<b>52</b>	<b>(56)</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>184</b>	<b>3</b>	<b>126</b>	<b>179</b>	<b>234</b>	<b>184</b>	<b>413</b>	<b>542</b>
<b>Base earnings (loss)</b>									
Reinsurance	—	153	179	65	189	174	153	363	607
Corporate	—	4	2	(9)	1	(3)	4	(2)	(9)
<b>Capital and Risk Solutions base earnings</b>	<b>—</b>	<b>157</b>	<b>181</b>	<b>56</b>	<b>190</b>	<b>171</b>	<b>157</b>	<b>361</b>	<b>598</b>

**Capital and Risk Solutions – Run-Rate Insurance Results and CSM**

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Run-rate insurance results</b>									
CSM recognized for services provided	—	39	41	37	38	36	39	74	152
Risk adjustment release	—	48	51	50	55	59	48	114	215
Expected earnings from short-term insurance contracts <sup>1</sup>	—	106	102	98	94	88	106	182	382
<b>Total run-rate insurance results</b>	<b>—</b>	<b>193</b>	<b>194</b>	<b>185</b>	<b>187</b>	<b>183</b>	<b>193</b>	<b>370</b>	<b>749</b>
<b>CSM, excluding participating and segregated fund products</b>									
<b>Beginning</b>	—	<b>1,796</b>	<b>1,720</b>	<b>1,600</b>	<b>1,646</b>	<b>1,691</b>	<b>1,796</b>	<b>1,691</b>	<b>1,691</b>
Impact of new insurance business	—	10	33	20	28	19	10	47	100
Expected movements from asset returns & locked-in rates	—	10	8	8	6	7	10	13	29
CSM recognized for services provided	—	(39)	(41)	(37)	(38)	(36)	(39)	(74)	(152)
Insurance experience gains and losses	—	(29)	(24)	(43)	(13)	27	(29)	14	(53)
<b>Organic CSM movement</b>	<b>—</b>	<b>(48)</b>	<b>(24)</b>	<b>(52)</b>	<b>(17)</b>	<b>17</b>	<b>(48)</b>	<b>—</b>	<b>(76)</b>
Impact of change in assumptions	—	(7)	12	162	10	2	(7)	12	186
Currency impact	—	21	88	10	(39)	(64)	21	(103)	(5)
<b>Total CSM movement</b>	<b>—</b>	<b>(34)</b>	<b>76</b>	<b>120</b>	<b>(46)</b>	<b>(45)</b>	<b>(34)</b>	<b>(91)</b>	<b>105</b>
<b>Ending CSM, excluding participating and segregated fund products</b>	<b>—</b>	<b>1,762</b>	<b>1,796</b>	<b>1,720</b>	<b>1,600</b>	<b>1,646</b>	<b>1,762</b>	<b>1,600</b>	<b>1,796</b>

<sup>1</sup> Expected earnings from short-term insurance contracts is calculated by removing one-time impacts in a quarter from earnings from short-term insurance contracts (as shown on the Drivers of Earnings page for Capital and Risk Solutions). These impacts are removed to provide an alternate view of what the expected earnings on short-term insurance contracts are. In Q4'22, \$13 million was removed related to one-time adjustment. In Q3'22, \$121 million was added back related to a net loss provision for estimated claims resulting from the impact of Hurricane Ian. In Q2'22, \$11 million was removed related to a one-time adjustment.

**Lifeco Corporate - Drivers of Earnings - Common Shareholders**

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Earnings on surplus	—	8	8	10	11	7	8	18	36
<b>Base earnings - net investment result</b>	<b>—</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>11</b>	<b>7</b>	<b>8</b>	<b>18</b>	<b>36</b>
Non-directly attributable and other expenses	—	(7)	(19)	(5)	(5)	(2)	(7)	(7)	(31)
Income taxes on base earnings	—	—	3	(1)	(1)	(2)	—	(3)	(1)
Non-controlling interests, preferred dividends and other	—	(6)	(10)	(8)	(6)	(6)	(6)	(12)	(30)
<b>Base earnings (loss)</b>	<b>—</b>	<b>(5)</b>	<b>(18)</b>	<b>(4)</b>	<b>(1)</b>	<b>(3)</b>	<b>(5)</b>	<b>(4)</b>	<b>(26)</b>
<b>Items excluded from base earnings</b>									
Market experience relative to expectations	—	(8)	(2)	3	10	4	(8)	14	15
<b>Total items excluded from base earnings</b>	<b>—</b>	<b>(8)</b>	<b>(2)</b>	<b>3</b>	<b>10</b>	<b>4</b>	<b>(8)</b>	<b>14</b>	<b>15</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>(13)</b>	<b>(20)</b>	<b>(1)</b>	<b>9</b>	<b>1</b>	<b>(13)</b>	<b>10</b>	<b>(11)</b>

Lifeco Drivers of Earnings – Reconciliation<sup>1</sup>

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	659	674	622	784	644	659	1,428	2,724
Base earnings: net investment result (NIR)	—	218	264	209	198	145	218	343	816
Base earnings: other income and expenses	—	(51)	(44)	(22)	(79)	(77)	(51)	(156)	(222)
<b>Base earnings</b>	<b>—</b>	<b>826</b>	<b>894</b>	<b>809</b>	<b>903</b>	<b>712</b>	<b>826</b>	<b>1,615</b>	<b>3,318</b>
<b>Base earnings adjustments (pre-tax)</b>									
ISR - assumption changes and management actions (ACMA)	—	3	(9)	5	(17)	5	3	(12)	(16)
NIR - market experience relative to expectations	—	(209)	(393)	228	152	864	(209)	1,016	851
NIR - ACMA	—	—	(12)	91	—	(24)	—	(24)	55
NIR - acquisition and divestiture costs	—	—	—	(34)	—	—	—	—	(34)
Fee and other income - ACMA	—	6	—	—	—	—	6	—	—
Restructing and integration costs	—	(26)	(43)	(58)	(60)	(17)	(26)	(77)	(178)
Operating and administrative expenses - ACMA	—	—	(25)	—	—	—	—	—	(25)
Operating and administrative expenses - acquisition and divestiture costs	—	—	(5)	50	(71)	(8)	—	(79)	(34)
Amortization of acquisition-related finite life intangibles	—	(43)	(36)	(46)	(49)	(35)	(43)	(84)	(166)
Tax impacts	—	57	107	(59)	(28)	(163)	57	(191)	(143)
Discontinued operations (post-tax) <sup>1</sup>	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
Reallocation of spread income to NIR from OIE	—	354	366	310	256	184	354	440	1,116
<b>Total</b>	<b>—</b>	<b>(231)</b>	<b>(442)</b>	<b>178</b>	<b>(80)</b>	<b>622</b>	<b>(231)</b>	<b>542</b>	<b>278</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>
<b>Drivers of earnings analysis (participating account)</b>									
Insurance service result	—	38	33	25	31	32	38	63	121
Net investment result	—	(49)	(162)	1	(22)	(15)	(49)	(37)	(198)
Other income and expenses	—	11	129	(26)	(9)	(17)	11	(26)	77
<b>Net earnings - participating account</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Income statement (total)</b>									
Insurance service result	—	700	698	652	798	681	700	1,479	2,829
Net investment result	—	314	63	805	584	1,154	314	1,738	2,606
Other income and expenses	—	(360)	(434)	(306)	(395)	(235)	(360)	(630)	(1,370)
Earnings before income taxes	—	654	327	1,151	987	1,600	654	2,587	4,065
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(40)	151	(165)	(157)	(266)	(40)	(423)	(437)
<b>Net earnings - continuing operations</b>	<b>—</b>	<b>614</b>	<b>478</b>	<b>986</b>	<b>830</b>	<b>1,334</b>	<b>614</b>	<b>2,164</b>	<b>3,628</b>
Net earnings - discontinued operations	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>595</b>	<b>452</b>	<b>987</b>	<b>823</b>	<b>1,334</b>	<b>595</b>	<b>2,157</b>	<b>3,596</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.



## Canada Drivers of Earnings – Reconciliation

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	304	305	360	374	275	304	649	1,314
Base earnings: net investment result (NIR)	—	72	39	49	40	38	72	78	166
Base earnings: other income and expenses	—	(98)	(84)	(69)	(74)	(89)	(98)	(163)	(316)
<b>Base earnings</b>	<b>—</b>	<b>278</b>	<b>260</b>	<b>340</b>	<b>340</b>	<b>224</b>	<b>278</b>	<b>564</b>	<b>1,164</b>
<b>Base earnings adjustments (pre-tax)</b>									
ISR - assumption changes and management actions (ACMA)	—	3	(1)	(4)	(14)	5	3	(9)	(14)
NIR - market experience relative to expectations	—	(60)	78	(200)	65	298	(60)	363	241
NIR - ACMA	—	—	(36)	139	4	(8)	—	(4)	99
NIR - acquisition and divestiture costs	—	—	—	—	—	—	—	—	—
Restructuring and integration costs	—	—	—	—	—	—	—	—	—
Operating and administrative expenses - acquisition and divestiture costs	—	—	—	—	—	—	—	—	—
Amortization of acquisition-related finite life intangibles	—	(6)	(7)	(7)	(6)	(6)	(6)	(12)	(26)
Tax impacts	—	18	58	6	(27)	(70)	18	(97)	(33)
Reallocation of spread income to NIR from OIE	—	15	15	13	10	7	15	17	45
<b>Total</b>	<b>—</b>	<b>(45)</b>	<b>92</b>	<b>(66)</b>	<b>22</b>	<b>219</b>	<b>(45)</b>	<b>241</b>	<b>267</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>233</b>	<b>352</b>	<b>274</b>	<b>362</b>	<b>443</b>	<b>233</b>	<b>805</b>	<b>1,431</b>
<b>Drivers of earnings analysis (participating account)</b>									
Insurance service result	—	34	31	22	28	27	34	55	108
Net investment result	—	(50)	(167)	6	(18)	(11)	(50)	(29)	(190)
Other income and expenses	—	16	136	(28)	(10)	(16)	16	(26)	82
<b>Net earnings - participating account</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Income statement (total)</b>									
Insurance service result	—	341	335	378	388	307	341	695	1,408
Net investment result	—	(23)	(71)	7	101	324	(23)	425	361
Other income and expenses	—	(69)	(94)	(68)	(22)	(76)	(69)	(98)	(260)
Earnings before income taxes	—	249	170	317	467	555	249	1,022	1,509
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(16)	182	(43)	(105)	(112)	(16)	(217)	(78)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>233</b>	<b>352</b>	<b>274</b>	<b>362</b>	<b>443</b>	<b>233</b>	<b>805</b>	<b>1,431</b>

## U.S. Drivers of Earnings – Reconciliation<sup>1</sup>

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	13	16	17	6	4	13	10	43
Base earnings: net investment result (NIR)	—	22	31	16	28	16	22	44	91
Base earnings: other income and expenses	—	183	168	181	130	124	183	254	603
<b>Base earnings</b>	<b>—</b>	<b>218</b>	<b>215</b>	<b>214</b>	<b>164</b>	<b>144</b>	<b>218</b>	<b>308</b>	<b>737</b>
<b>Base earnings adjustments (pre-tax)</b>									
NIR - market experience relative to expectations	—	(5)	—	(18)	(8)	1	(5)	(7)	(25)
NIR - acquisition and divestiture costs	—	—	—	(34)	—	—	—	—	(34)
Restructing and integration costs (pre-tax)	—	(26)	(43)	(58)	(60)	(17)	(26)	(77)	(178)
Operating and administrative expenses - acquisition and divestiture costs	—	—	—	55	(67)	(2)	—	(69)	(14)
Amortization of acquisition-related finite life intangibles	—	(32)	(21)	(36)	(39)	(25)	(32)	(64)	(121)
Tax on items excluded from base earnings	—	15	17	31	40	11	15	51	99
Discontinued operations (post-tax) <sup>1</sup>	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
Reallocation of spread income to NIR from OIE	—	339	351	297	246	177	339	423	1,071
<b>Total</b>	<b>—</b>	<b>(67)</b>	<b>(73)</b>	<b>(59)</b>	<b>(141)</b>	<b>(32)</b>	<b>(67)</b>	<b>(173)</b>	<b>(305)</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>151</b>	<b>142</b>	<b>155</b>	<b>23</b>	<b>112</b>	<b>151</b>	<b>135</b>	<b>432</b>
<b>Drivers of earnings analysis (participating account)</b>									
Insurance service result	—	4	2	3	3	3	4	6	11
Net investment result	—	—	4	(5)	(3)	(3)	—	(6)	(7)
Other income and expenses	—	(4)	(6)	2	—	—	(4)	—	(4)
<b>Net earnings - participating account</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Income statement (total)</b>									
Insurance service result	—	17	18	20	9	7	17	16	54
Net investment result	—	356	386	256	263	191	356	454	1,096
Other income and expenses	—	(195)	(213)	(135)	(288)	(88)	(195)	(376)	(724)
Earnings before income taxes	—	178	191	141	(16)	110	178	94	426
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(8)	(23)	13	46	2	(8)	48	38
<b>Net earnings - continuing operations</b>	<b>—</b>	<b>170</b>	<b>168</b>	<b>154</b>	<b>30</b>	<b>112</b>	<b>170</b>	<b>142</b>	<b>464</b>
Net earnings - discontinued operations	—	(19)	(26)	1	(7)	—	(19)	(7)	(32)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>151</b>	<b>142</b>	<b>155</b>	<b>23</b>	<b>112</b>	<b>151</b>	<b>135</b>	<b>432</b>

<sup>1</sup> Q1 2023 and prior period results are restated to exclude discontinued operations related to Putnam Investments from base earnings. On May 31, 2023, Lifeco agreed to sell Putnam Investments to Franklin Templeton. The transaction is expected to close in the fourth quarter of 2023, contingent on regulatory and other customary conditions.

## Europe Drivers of Earnings – Reconciliation

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	182	164	156	193	173	182	366	686
Base earnings: net investment result (NIR)	—	96	168	134	111	79	96	190	492
Base earnings: other income and expenses	—	(100)	(76)	(87)	(94)	(76)	(100)	(170)	(333)
<b>Base earnings</b>	<b>—</b>	<b>178</b>	<b>256</b>	<b>203</b>	<b>210</b>	<b>176</b>	<b>178</b>	<b>386</b>	<b>845</b>
<b>Base earnings adjustments (pre-tax)</b>									
ISR - assumption changes and management actions (ACMA)	—	—	(8)	9	(3)	—	—	(3)	(2)
NIR - market experience relative to expectations	—	(155)	(268)	295	70	463	(155)	533	560
NIR - ACMA	—	—	19	(17)	(5)	(11)	—	(16)	(14)
Fee and other income - ACMA	—	6	—	—	—	—	6	—	—
Operating and administrative expenses - ACMA	—	—	(25)	—	—	—	—	—	(25)
Operating and administrative expenses - acquisition and divestiture costs	—	—	(5)	(5)	(4)	(6)	—	(10)	(20)
Amortization of acquisition-related finite life intangibles	—	(5)	(8)	(3)	(4)	(4)	(5)	(8)	(19)
Tax on items excluded from base earnings	—	16	14	(49)	(14)	(74)	16	(88)	(123)
<b>Total</b>	<b>—</b>	<b>(138)</b>	<b>(281)</b>	<b>230</b>	<b>40</b>	<b>368</b>	<b>(138)</b>	<b>408</b>	<b>357</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>40</b>	<b>(25)</b>	<b>433</b>	<b>250</b>	<b>544</b>	<b>40</b>	<b>794</b>	<b>1,202</b>
<b>Drivers of earnings analysis (participating account)</b>									
Insurance service result	—	—	—	—	—	2	—	2	2
Net investment result	—	1	1	—	(1)	(1)	1	(2)	(1)
Other income and expenses	—	(1)	(1)	—	1	(1)	(1)	—	(1)
<b>Net earnings - participating account</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Income statement (total)</b>									
Insurance service result	—	182	156	165	190	175	182	365	686
Net investment result	—	(58)	(80)	412	175	530	(58)	705	1,037
Other income and expenses	—	(77)	(92)	(83)	(67)	(54)	(77)	(121)	(296)
Earnings before income taxes	—	47	(16)	494	298	651	47	949	1,427
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(7)	(9)	(61)	(48)	(107)	(7)	(155)	(225)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>40</b>	<b>(25)</b>	<b>433</b>	<b>250</b>	<b>544</b>	<b>40</b>	<b>794</b>	<b>1,202</b>

## Capital &amp; Risk Solutions Drivers of Earnings – Reconciliation

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	160	189	89	211	192	160	403	681
Base earnings: net investment result (NIR)	—	20	18	—	8	5	20	13	31
Base earnings: other income and expenses	—	(23)	(26)	(33)	(29)	(26)	(23)	(55)	(114)
<b>Base earnings</b>	<b>—</b>	<b>157</b>	<b>181</b>	<b>56</b>	<b>190</b>	<b>171</b>	<b>157</b>	<b>361</b>	<b>598</b>
<b>Base earnings adjustments (pre-tax)</b>									
NIR - market experience relative to expectations	—	22	(201)	147	11	97	22	108	54
Net investment result - assumption changes and management actions	—	—	5	(31)	1	(5)	—	(4)	(30)
Tax on items excluded from base earnings	—	5	18	(46)	(23)	(29)	5	(52)	(80)
<b>Total</b>	<b>—</b>	<b>27</b>	<b>(178)</b>	<b>70</b>	<b>(11)</b>	<b>63</b>	<b>27</b>	<b>52</b>	<b>(56)</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>184</b>	<b>3</b>	<b>126</b>	<b>179</b>	<b>234</b>	<b>184</b>	<b>413</b>	<b>542</b>
<b>Income statement (total)</b>									
Insurance service result	—	160	189	89	211	192	160	403	681
Net investment result	—	42	(178)	116	20	97	42	117	55
Other income and expenses	—	(12)	(16)	(15)	(13)	(15)	(12)	(28)	(59)
Earnings before income taxes	—	190	(5)	190	218	274	190	492	677
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(6)	8	(64)	(39)	(40)	(6)	(79)	(135)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>184</b>	<b>3</b>	<b>126</b>	<b>179</b>	<b>234</b>	<b>184</b>	<b>413</b>	<b>542</b>

## Lifeco Corporate Drivers of Earnings – Reconciliation

(C\$MM)	2023		2022				YTD 2023	YTD 2022	Fiscal 2022
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Drivers of earnings analysis (base)</b>									
Base earnings: insurance service result (ISR)	—	—	—	—	—	—	—	—	—
Base earnings: net investment result (NIR)	—	8	8	10	11	7	8	18	36
Base earnings: other income and expenses	—	(13)	(26)	(14)	(12)	(10)	(13)	(22)	(62)
<b>Base earnings</b>	<b>—</b>	<b>(5)</b>	<b>(18)</b>	<b>(4)</b>	<b>(1)</b>	<b>(3)</b>	<b>(5)</b>	<b>(4)</b>	<b>(26)</b>
<b>Base earnings adjustments (pre-tax)</b>									
NIR - market experience relative to expectations	—	(11)	(2)	4	14	5	(11)	19	21
Tax on items excluded from base earnings	—	3	—	(1)	(4)	(1)	3	(5)	(6)
<b>Total</b>	<b>—</b>	<b>(8)</b>	<b>(2)</b>	<b>3</b>	<b>10</b>	<b>4</b>	<b>(8)</b>	<b>14</b>	<b>15</b>
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>(13)</b>	<b>(20)</b>	<b>(1)</b>	<b>9</b>	<b>1</b>	<b>(13)</b>	<b>10</b>	<b>(11)</b>
<b>Income statement (total)</b>									
Net investment result	—	(3)	6	14	25	12	(3)	37	57
Other income and expenses	—	(7)	(19)	(5)	(5)	(2)	(7)	(7)	(31)
Earnings before income taxes	—	(10)	(13)	9	20	10	(10)	30	26
Taxes, income attributed to non-controlling interests and participating policies, preferred share dividends	—	(3)	(7)	(10)	(11)	(9)	(3)	(20)	(37)
<b>Net earnings - common shareholders</b>	<b>—</b>	<b>(13)</b>	<b>(20)</b>	<b>(1)</b>	<b>9</b>	<b>1</b>	<b>(13)</b>	<b>10</b>	<b>(11)</b>

## Drivers of Earnings - Glossary

Drivers of earnings	Description	Characteristics
<b>Expected insurance earnings</b>		
Risk adjustment release	Release of in-period insurance risk margins into profit for non-Premium Allocation Approach (PAA) insurance contracts.	Stable period to period and emerges predictably into earnings assuming cash flows materialize as expected.
CSM recognized for services provided	Contractual service margin (CSM) recognized for services provided in-period. A representation of earned profit released in-period relating to non-PAA insurance contracts.	Stable period to period and emerges predictably into earnings.
Short-term insurance earnings	Represents expected profits from Group Life & Health and other short-term insurance contracts measured under the PAA measurement model. Excludes fee-based service contracts and experience gains and losses.	Stable period to period and emerges predictably into earnings. Growth in expected short-term insurance earnings is driven by organic growth of in-force business, margins and net sales.
Impact of new insurance business	Represents "onerous" contracts written in-period. Onerous contracts may become non-onerous as a result of subsequent measurement.	Onerous contracts expected to comprise a small proportion of in-force business.
Insurance experience gains and losses	Represents the difference between actual insurance experience and beginning of period expectation for claims and expense cash flows that do not adjust the CSM.	More volatile period to period reflecting actual claims experience. Majority of insurance experience gains and losses that impact current quarter earnings relate to group and individual life mortality, group and individual morbidity and expense gain/loss. Annuitant mortality, lapse and policyholder behaviour experience which mainly impact future fulfilment cash flows are typically reflected in adjustments to the CSM and accordingly will impact earnings in future periods.
<b>Base earnings - net insurance service result</b>		
Expected investment earnings	Represents the difference between management's expected return on assets backing insurance contract liabilities and the unwinding of discount rates used to measure corresponding insurance contract liabilities. Includes the release of credit provisions in profit and the impact of credit experience for the period as well as the impact of certain trading activity on fixed income assets and non-directly attributable investment expenses.	Most volatility in net investment result, which arises from changes in risk-free interest rates, credit spreads and over (under) performance of non-fixed income assets compared to expectations, is largely excluded from base earnings. Modest volatility remains in expected investment earnings due to changes in interest rates, credit experience and certain trading activity.
Earnings on surplus	Represents expected investment income on surplus assets net of associated investment expenses. Base earnings on surplus excludes mark-to-market impacts on surplus assets as well as realized gain/losses on surplus assets held at fair value through other comprehensive income (OCI).	Relatively stable period to period. Grows with surplus asset balance and corresponding asset returns.
<b>Base earnings - net investment result</b>		
Net fee and spread income	Represents net fee income earned on segregated funds and mutual funds products, for which the Company earns investment management fees on assets managed as well as administrative services only (ASO) contracts, under which the Company provides group benefit plan administration on a cost-plus basis. Additionally includes spread income earned on certain investment products which represents the difference between earned rates and rates credited to clients.	Asset-based fee and spread income will correspond with level of assets under management/administration driven by business growth and macroeconomic factors as well as expense margins.  Non asset-based fee income will correspond with non-asset based drivers (e.g. participants or claims volumes) as well as expense margins.
Non-directly attributable and other expenses	Represents non-directly attributable insurance contract expenses as well as financing costs and amortization of finite life intangible assets (excluding amortization of acquisition-related finite life intangible assets).	Non-directly attributable and other expenses should grow at pace with overall business growth.
Income taxes on base earnings	The income tax expense for the period represents the sum of current income tax and deferred income tax on base earnings.	Corresponds with earnings levels.
Non-controlling interests, preferred dividends and other	Non-controlling interests in subsidiaries represents the proportion of equity that is attributable to minority shareholders.  Preferred dividends are dividends that are allocated to and paid on the Company's preferred shares.	Corresponds with earnings levels.
<b>Base earnings (loss)</b>		

**Drivers of Earnings - Glossary**

<b>Drivers of earnings</b>	<b>Description</b>	<b>Characteristics</b>
<b>Items excluded from base earnings</b>		
Market experience relative to expectations	<p>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:</p> <ul style="list-style-type: none"> <li>the impact of hedge ineffectiveness related to segregated fund guarantee liabilities that are hedged and the performance of the related hedge assets;</li> <li>the impact on segregated fund guarantee liabilities not hedged;</li> <li>the market-related impacts that are different than expectations on surplus assets, general account assets and the insurance and investment contract liabilities they support;</li> <li>other market impacts on general account assets and the insurance and investment contract liabilities they support that cannot be attributed to expectations within the period.</li> </ul>	Significant volatility which arises from changes in risk-free interest rates, credit spreads and over (under) performance of non-fixed income assets relative to management's expectations.
Assumption changes and management actions	The net earnings impact of: (i) revisions to the methodologies and assumptions used in the measurement of the Company's assets, insurance contract liabilities and investment contract liabilities, and (ii) actions taken by management in the current reporting period which include, but are not limited to, changes in in-force product product features (including prices), and new or revised reinsurance deals on in-force business. Assumption changes and management actions are excluded from base earnings.	Based on experience. Moderated impacts compared to IFRS 4 as certain assumption changes adjust the CSM rather than impacting earnings.
Other items excluded from base earnings	<p>Acquisition and divestiture costs;</p> <p>Restructuring and integration costs;</p> <p>Amortization of acquisition related finite life intangible assets;</p> <p>Material legal settlements, material impairment charges related to goodwill and intangible assets, impacts of income tax rate changes and other tax impairments, net gains, losses or costs related to the disposition or acquisition of a business; and other items that, when removed, assist in explaining the Company's underlying business performance.</p>	Includes items that are typically less predictable and are not indicative of the Company's underlying business performance.
<b>Total items excluded from base earnings</b>		
<b>Net earnings - common shareholders</b>		