

# Introduction to Power Corporation

March 2022



POWER CORPORATION  
OF CANADA

# Forward looking statements, COVID-19 and disclosures concerning public investees

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## Forward Looking Statements

In the course of today's meeting, representatives of the Corporation may make, in their remarks or in response to questions, and the accompanying materials may include, statements containing forward-looking information.

Certain statements, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Corporation's current expectations, or with respect to disclosure regarding the Corporation's public subsidiaries, reflect such subsidiaries' current expectations as disclosed in their respective MD&A. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries including the fintech strategy, the expected impact of the COVID-19 pandemic on the Corporation and its subsidiaries' operations, results and dividends, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the intended effects of the Reorganization (as defined herein), the Corporation's NCIB (as defined herein) commenced in 2022, the Corporation's sale of its interest in ChinaAMC (as defined herein) to IGM, and IGM's sale of a portion of its interest in Lifeco, and related impacts and timing thereof, management of standalone businesses to realize value over time, fundraising activities by investment platforms, capital commitments by the Power Group and third parties, the intended acquisition opportunity of Portage Fintech Acquisition Corporation, the objective to maintain a minimum level of cash and cash equivalents relative to fixed charges, and the Corporation's subsidiaries' disclosed expectations, including the acquisition of the Prudential full-service retirement business (as defined herein) as well as the funding of the transaction and related synergies, impacts, and timing thereof, as well as their expectations as a result of the acquisitions of the retirement services business of MassMutual, Personal Capital, Northleaf, ClaimSecure Inc., and Ark Life (as defined herein) and related synergies, impacts and timing thereof as well as the impacts of the EverWest (as defined herein) transaction. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the Corporation's and its subsidiaries' control, affect the operations, performance and results of the Corporation and its subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, fluctuations in interest rates, inflation and foreign exchange rates, monetary policies, business investment and the health of local and global equity and capital markets, management of market liquidity and funding risks, risks related to investments in private companies and illiquid securities, risks associated with financial instruments, changes in accounting policies and methods used to report financial condition (including uncertainties associated with significant judgments, estimates and assumptions), the effect of applying future accounting changes, business competition, operational and reputational risks, technological changes, cybersecurity risks, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, man-made disasters, terrorist attacks, wars and other conflicts, or an outbreak of a public health pandemic or other public health crises (such as COVID-19), the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors and with respect to forward-looking statements of the Corporation's subsidiaries disclosed in this MD&A, the factors identified by such subsidiaries in their respective MD&A filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com).

The listener/reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the availability of cash to complete purchases under the NCIB, that the list of factors in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries and with respect to forward-looking statements of the Corporation's subsidiaries disclosed in this presentation, the risks identified by such subsidiaries in their respective MD&A and Annual Information Form most recently filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com). While the Corporation considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including its most recent interim MD&A and Annual Information Form, filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com).

## COVID-19

Governments worldwide have enacted emergency measures to combat the spread of COVID-19. These measures, which include the implementation of travel bans, imposing restrictions on certain non-essential businesses, self-imposed quarantine periods and social distancing, have caused significant volatility in global equity markets and material disruption to businesses globally. Governments and central banks have responded with significant monetary and fiscal interventions designed to stabilize economic conditions. Refer to the Corporation's most recent MD&A for additional information and disclosure.

## Disclosures Concerning Public Investees

Information in this presentation and any accompanying oral statements, including in response to questions, (i) concerning Great-West Lifeco and IGM, as applicable, has been derived from Great-West Lifeco and IGM's annual MD&A, as prepared and disclosed by the respective companies in accordance with applicable securities legislation, and which is also available either directly from SEDAR ([www.sedar.com](http://www.sedar.com)) or from their websites, [www.greatwestlifeco.com](http://www.greatwestlifeco.com) and [www.igmfinc.com](http://www.igmfinc.com) and (ii) concerning GBL has been derived from publicly disclosed information, as issued by GBL, including in its third quarter press release, and further information on GBL's results is available on its website at [www.gbl.be](http://www.gbl.be).

# Non-IFRS measures and clarifications on net asset value

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## Non-IFRS Measures

The Corporation completed the Reorganization and announced a change in its strategy in early 2020. In the fourth quarter of 2020, the Corporation modified the presentation of the activities held through Power Financial. Previously, Power Financial's results including its corporate operations were presented separately by the Corporation. Subsequent to the Reorganization, the corporate operations of both the Corporation and Power Financial are being managed together and have been presented on a combined basis throughout the "Results of the Corporation" section. The investment activities of Power Financial, other than those held in publicly traded operating companies, are primarily interests held in fintech investments, all of which are managed by Sagard, and have been presented combined with the investing activities of Sagard, which represents the management and oversight structure. The comparatives in the non-consolidated earnings statements, non-consolidated balance sheets and non-consolidated statements of cash flows have been restated to reflect this change.

As well, in the second quarter of 2020, the Corporation modified the presentation of the asset management companies held by the investment platforms. Previously, the asset management activities were consolidated and included as corporate activities within the non-consolidated balance sheet of the Corporation. The activities of each asset management company are now presented within their operations. The comparatives in the non-consolidated balance sheets and non-consolidated statements of cash flows have been restated to reflect this change.

Net earnings attributable to participating shareholders are comprised of:

- Adjusted net earnings attributable to participating shareholders; and

- Adjustments, which include the after-tax impact of any item that in management's judgment, including those identified by management of its publicly traded operating companies, would make the period-over-period comparison of results from operations less meaningful. Adjustments includes the Corporation's share of Lifeco's impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance contract liabilities net of hedging, as well as items that management believes are not indicative of the underlying business results which include those identified by a subsidiary or a jointly controlled corporation.

Management uses these financial measures in its presentation and analysis of the financial performance of Power Corporation and believes that they provide additional meaningful information to listeners/readers in their analysis of the results of the Corporation. Adjusted net earnings, as defined by the Corporation, assist the listener/reader in comparing the current period's results to those of previous periods as it reflects management's view of the operating performance of the Corporation and its subsidiaries and excludes items that are not considered to be part of the underlying business results.

Adjusted net earnings attributable to participating shareholders and adjusted net earnings per share are non-IFRS financial measures that do not have a standard meaning and may not be comparable to similar measures used by other entities.

The Corporation also uses a non-consolidated basis of presentation to present and analyze its results whereby the Corporation's controlling interests held through Power Financial in Lifeco, IGM, Portage I, Portage II, Portage III and Wealthsimple, as well as other subsidiaries consolidated by Power Corporation, are accounted for using the equity method. Presentation on a non-consolidated basis is a non-IFRS presentation. However, it is useful to the listener/reader as it presents the holding company's (parent) results separately from the results of its consolidated operating subsidiaries.

Net asset value is commonly used by holding companies to determine their value. Net asset value is the fair value of Power Corporation's non-consolidated assets less its net debt and preferred shares. The investments held in public entities (including Great-West Lifeco, IGM and GBL (through Parjointco)) are measured at their market value and investments in private entities and investment funds are measured at management's estimate of fair value. GBL's net asset value is determined on the basis of current market values for listed shareholdings, plus the fair value of private equity activities and GBL treasury shares, less net debt. This measure presents the fair value of the net assets of the holding company to management and investors and assists the listener/reader in determining the value of the holding company.

Assets under management of investment platforms include:

- Net asset value of the investment funds and co-investment vehicles managed, including unfunded commitments and unused permanent leverage;

- Gross asset value of investment funds managed within the real estate platform;

- Fair value of assets managed on behalf of the Corporation and clients by asset managers controlled within the investment platforms, including assets managed through a separately managed agreement; and

- Fair value of equity interests in standalone businesses.

This presentation may also contain other non-IFRS financial measures which are publicly disclosed by the Corporation's subsidiaries such as sales, assets under management and assets under administration. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for the definition of non-IFRS financial measures and, where applicable, their reconciliation with IFRS financial measures.

## Clarifications on Net Asset Value

The management companies of the alternative asset investment platforms are presented at their carrying value in accordance with IFRS and are primarily composed of cash and net carried interest receivable. Sagard includes the Corporation's investments in Portage I, Portage II and Wealthsimple, held by Power Financial. China AMC is valued at its carrying value in accordance with IFRS. An additional deferred tax liability of \$99 million has been included in the September 30, 2021 net asset value (\$177 million as at June 30, 2021) with respect to the investments in standalone businesses at fair value, without taking into account possible tax reduction strategies. The Corporation has tax attributes (not otherwise recognized on the balance sheet) that could be available to minimize the tax if the Corporation were to dispose of its interests held in the standalone businesses. In accordance with IAS 12, Income Taxes, no deferred tax liability is recognized with respect to temporary differences associated with investments in subsidiaries and jointly controlled corporations as the Corporation is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. If the Corporation were to dispose of an investment in a subsidiary or a jointly controlled corporation, income taxes payable on such disposition would be minimized through careful and prudent tax planning and structuring, as well as with the use of available tax attributes not otherwise recognized on the balance sheet, including tax losses, tax basis, safe income and foreign tax surplus associated with the subsidiary or jointly controlled corporation.






# Abbreviations

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The following abbreviations are used throughout this presentation:

<b>adidas</b>	adidas AG	<b>NAV</b>	Net asset value
<b>Ark Life</b>	Ark Life Assurance Company dac	<b>Northleaf</b>	Northleaf Capital Partners
<b>AUA</b>	Assets under administration	<b>NYSE</b>	New York Stock Exchange
<b>AUM</b>	Assets under management	<b>Parjointco</b>	Parjointco N.V.
<b>Canada Life</b>	The Canada Life Assurance Company	<b>Peak Achievement Athletics</b>	Peak Achievement Athletics Inc.
<b>China AMC</b>	China Asset Management Co., Ltd.	<b>Pernod Ricard</b>	Pernod Ricard SA
<b>ClaimSecure</b>	ClaimSecure Inc.	<b>Personal Capital</b>	Personal Capital Corporation
<b>Empower Retirement or Empower</b>	Great-West Life & Annuity Insurance Company	<b>Portage I or Portage I LP</b>	Portag3 Ventures Limited Partnership
<b>GBL</b>	Groupe Bruxelles Lambert	<b>Portage II or Portage II LP</b>	Portag3 Ventures II Limited Partnership
<b>GP Strategies</b>	GP Strategies Corporation	<b>Portage III or Portage III LP</b>	Portage Ventures III Limited Partnership
<b>Great-West or Great-West Lifeco or Lifeco</b>	Great-West Lifeco Inc.	<b>Power Corporation, Power, PCC or the Corporation</b>	Power Corporation of Canada
<b>IFRS</b>	International Financial Reporting Standards	<b>Power Financial or PFC</b>	Power Financial Corporation
<b>IGM or IGM Financial</b>	IGM Financial Inc.	<b>Power Pacific</b>	Power Pacific Investment Management Inc.
<b>IG Wealth or IG</b>	Investors Group Inc.	<b>Power Sustainable</b>	Power Sustainable Capital Inc.
<b>ILIM</b>	Irish Life Investment Managers	<b>Prudential</b>	Prudential Financial, Inc.
<b>Imerys</b>	Imerys SA	<b>Putnam</b>	Putnam Investments, LLC
<b>Lion or Lion Electric</b>	The Lion Electric Co.	<b>Sagard</b>	Sagard Holdings Inc.
<b>LMPG</b>	LMPG Inc.	<b>SGS</b>	SGS SA
<b>Mackenzie or Mackenzie Investments</b>	Mackenzie Financial Corporation	<b>Sienna</b>	Sienna Investment Managers
<b>MassMutual</b>	Massachusetts Mutual Life Insurance Company	<b>TSX</b>	Toronto Stock Exchange
<b>Mowi</b>	Mowi ASA	<b>Umicore</b>	Umicore, NV/SA
		<b>Wealthsimple</b>	Wealthsimple Financial Corp.

# Reference information

	Websites	Fourth Quarter Results & Recent Events
 POWER CORPORATION OF CANADA	<a href="http://www.powercorporation.com">www.powercorporation.com</a>	<ul style="list-style-type: none"> <li>Q4 2021 Conference Call March 18, 2022</li> <li>Q4 2021 Earnings Release March 17, 2022</li> </ul>
 GREAT-WEST LIFECO INC.	<a href="http://www.greatwestlifeco.com">www.greatwestlifeco.com</a>	<ul style="list-style-type: none"> <li>Q4 2021 Conference Call February 10, 2022</li> <li>Q4 2021 Earnings Release February 9, 2022</li> </ul>
 IGM Financial	<a href="http://www.igmfinancial.com">www.igmfinancial.com</a>	<ul style="list-style-type: none"> <li>Q4 2021 Conference Call February 11, 2022</li> <li>Q4 2021 Earnings Release February 10, 2022</li> <li>China AMC Acquisition Webcast January 6, 2022</li> </ul>
 GBL	<a href="http://www.gbl.be">www.gbl.be</a>	<ul style="list-style-type: none"> <li>2021 Annual Results Release March 10, 2022</li> <li>Capital Markets Day November 17, 2021</li> </ul>
	Websites	
 Sagard	<a href="http://www.sagard.com">www.sagard.com</a> <a href="http://www.sagard.eu">www.sagard.eu</a>	<a href="http://www.p3vc.com">www.p3vc.com</a> <a href="http://www.wealthsimple.com">www.wealthsimple.com</a>
 POWER SUSTAINABLE	<a href="http://www.powersustainable.com">www.powersustainable.com</a>	<a href="http://www.powerpacificim.com">www.powerpacificim.com</a>
Stand-Alone Businesses	<a href="http://www.thelionelectric.com">www.thelionelectric.com</a> <a href="http://www.lmpg.com">www.lmpg.com</a>	<a href="http://www.bauer.com">www.bauer.com</a>

# Introduction to Power Corporation



POWER CORPORATION  
OF CANADA

# Power Corporation of Canada (PCC) is a publicly-listed holding company controlled by the Desmarais family since 1968



**POWER CORPORATION  
OF CANADA**

International management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms

MARKET  
CAPITALIZATION  
**\$28.3B**

DIVIDEND  
YIELD  
**4.7%**

NET ASSET VALUE OF OTHER  
INVESTMENTS AND ASSETS<sup>1,5</sup>  
**\$6.1B**

66.7%<sup>2,5</sup>

61.8%<sup>2</sup>

14.1%<sup>3</sup>

**GREAT-WEST  
LIFECO INC.**

**\$35.3B** MARKET  
CAPITALIZATION

**IGM**  
Financial

**\$10.9B** MARKET  
CAPITALIZATION

**GBL**

**\$22.1B** MARKET  
CAPITALIZATION

 **Sagard**

**POWER  
SUSTAINABLE**

13.9%<sup>4,5</sup>

 **ChinaAMC**

Note: Market data as of December 31, 2021; balance sheet data as of September 30, 2021; figures in Canadian dollars

<sup>1</sup> Includes the asset management companies of Sagard and Power Sustainable, PCC's proprietary capital invested in Sagard and Power Sustainable funds, China AMC, standalone businesses, other investments and assets

<sup>2</sup> As of September 30, 2021, Power Corporation, through wholly owned subsidiaries, held 66.7% of Great-West Lifeco, and an additional 4.0% through IGM. Power Corporation, through wholly owned subsidiaries, held 61.8% of IGM, and an additional 3.9% through Great-West Lifeco

<sup>3</sup> Held through Parjointco, a jointly controlled corporation (50%). Parjointco has a 43.2% voting interest in GBL

<sup>4</sup> IGM also holds a 13.9% interest in China AMC. PCC and IGM hold a combined 27.8% interest in China AMC

<sup>5</sup> On Jan. 5, 2022, PCC announced a transaction under which the group's combined 27.8% interest in China AMC will be consolidated at IGM. To partially fund the transaction, IGM has agreed to sell 15.2 million Great-West shares (representing approximately 1.6% of Great-West's shares outstanding) to PCC

# Great-West Lifeco overview

Great-West Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses operating in Canada, the United States and Europe under the brands Canada Life, Empower Retirement, Putnam Investments and Irish Life.

2021 Net Earnings<sup>1</sup>  
**\$3.128**  
BILLION

2021 Base Earnings<sup>1,2</sup>  
**\$3.260**  
BILLION

Total Assets Under Administration<sup>2,3</sup>  
**\$2.3**  
TRILLION

2021 Net Earnings Per Share<sup>1</sup>  
**\$3.37**

2021 Base Earnings Per Share<sup>1,2</sup>  
**\$3.51**

2021 Base Return on Equity<sup>2</sup>  
**14.6%**

## CANADA

### **37% of 2021 base earnings<sup>1,2</sup>**

- Leader for insurance and wealth management products and services
- #1 in individual life insurance<sup>4</sup>
- #2 in segregated funds<sup>5</sup>
- #2 in group life and health<sup>4</sup>; #3 in group retirement
- Multiple, complementary and diverse distribution channels



## U.S.

### **21% of 2021 base earnings<sup>1,2</sup>**

- Empower: #2 defined contribution recordkeeper<sup>6</sup>; over U.S. \$1.1T<sup>3</sup> in AUA<sup>2</sup> and 13.0M<sup>3</sup> plan participants
- Empower expected to be ~30% of Lifeco earnings<sup>7</sup>
- Putnam: Diversified global asset management platform with AUM<sup>2</sup> of U.S.\$203B<sup>3</sup> strong 10-year performance track record



## EUROPE

### **25% of 2021 base earnings<sup>1,2</sup>**

- U.K.: Strong position in group insurance and retirement income solutions
- Ireland: Leading life assurance and pension provider; ILIM is one of Ireland's largest fund managers<sup>8</sup>
- Germany: Fast-growing position in unit-linked pension savings broker-sold market



## CAPITAL & RISK SOLUTIONS

### **17% of 2021 base earnings<sup>1,2</sup>**

- Top-8 global reinsurer and top-3 life reinsurer<sup>9</sup>
- Top-2 reinsurer in the U.S. for structured life reinsurance<sup>10</sup>
- Leading provider in the evolving European structured life reinsurance market
- Leading provider of U.K. and other European annuity/longevity reinsurance



<sup>1</sup> Attributable to common shareholders

<sup>2</sup> Non-IFRS measure. Refer to Great-West's most recent MD&A

<sup>3</sup> As of December 31, 2021

<sup>4</sup> LIMRA, full year 2020 results

<sup>5</sup> Strategic Insights (Investor Economics), full year 2020 results

<sup>6</sup> By total assets and total participants, Pensions & Investments 2020 Defined Contribution Survey Rankings as of April 2020

<sup>7</sup> Based on Empower's contribution as a percentage of Great-West Lifeco's base earnings in 2021 (excluding corporate earnings). Empower's base earnings include on a pro-forma basis estimated fully synergized earnings for MassMutual's acquired retirement business expected for 2022, and Prudential's full-service retirement business estimated fully synergized earnings on a run-rate basis expected by year end 2023

<sup>8</sup> Refer to Great-West's 2021 Annual MD&A

<sup>9</sup> AM Best August 31, 2021 - Ranked by gross premium written in 2020

<sup>10</sup> NMG Consulting, 2021 biennial US Structured Financial Solutions Survey



# IGM Financial overview



IGM Financial Inc. is a leading wealth and asset management company supporting financial advisors and the clients they serve in Canada, and institutional investors throughout North America, Europe and Asia.

## 2021 Highlights

**1 million+**  
IG Wealth  
Management Clients

**30,000+**  
External Advisors  
Doing Business  
with Mackenzie

**\$4.08**  
Reported Earnings  
Per Share

**\$4.05**  
Adjusted Earnings Per  
Share

**\$979 MILLION**  
Net Earnings<sup>1</sup>

**\$2.25**  
Dividends Declared  
per Common Share

The company creates value for shareholders through three key areas

### Wealth Management

56% of 2021 adjusted EPS<sup>2</sup>



### Asset Management

25% of 2021 adjusted EPS<sup>2</sup>



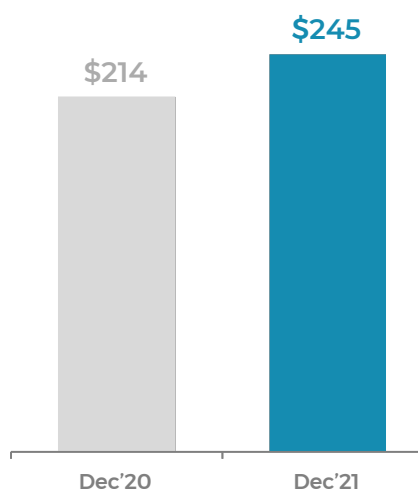
### Strategic Investments

19% of 2021 adjusted EPS<sup>2</sup>

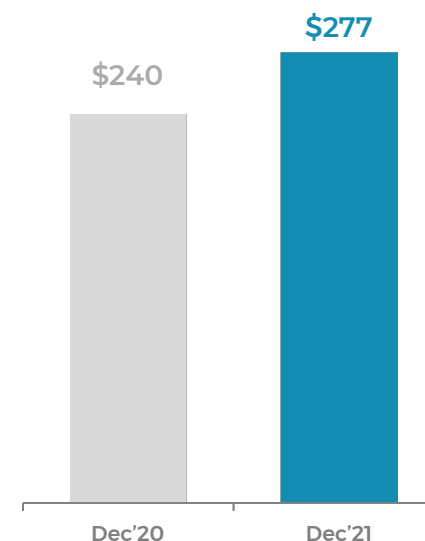


PORTAGE & other investments

### Total Assets Under Management (\$ Billions)



### Total Assets Under Management & Advisement (\$ Billions)



<sup>1</sup> Available to common shareholders

<sup>2</sup> Adjusted EPS is a non-IFRS financial measure. Refer to the discussion of this measure in IGM's most recent MD&A

# GBL overview



GBL is a leading investor in Europe, building leading companies through long-term engaged and responsible ownership.

- Invests in and supports European industry leaders with strong market positions and exposure to positive global long-term trends.
- Engaged ownership, partnering with its portfolio companies and their management teams to create value over the long term for all stakeholders in a sustainable manner.

2020 Net Results<sup>1</sup>  
**€391**  
MILLION

2020 Cash Earnings<sup>2</sup>  
**€440**  
MILLION

2020 Total Distribution  
**€396**  
MILLION

Net Asset Value<sup>2,3</sup>  
**€22.5**  
BILLION

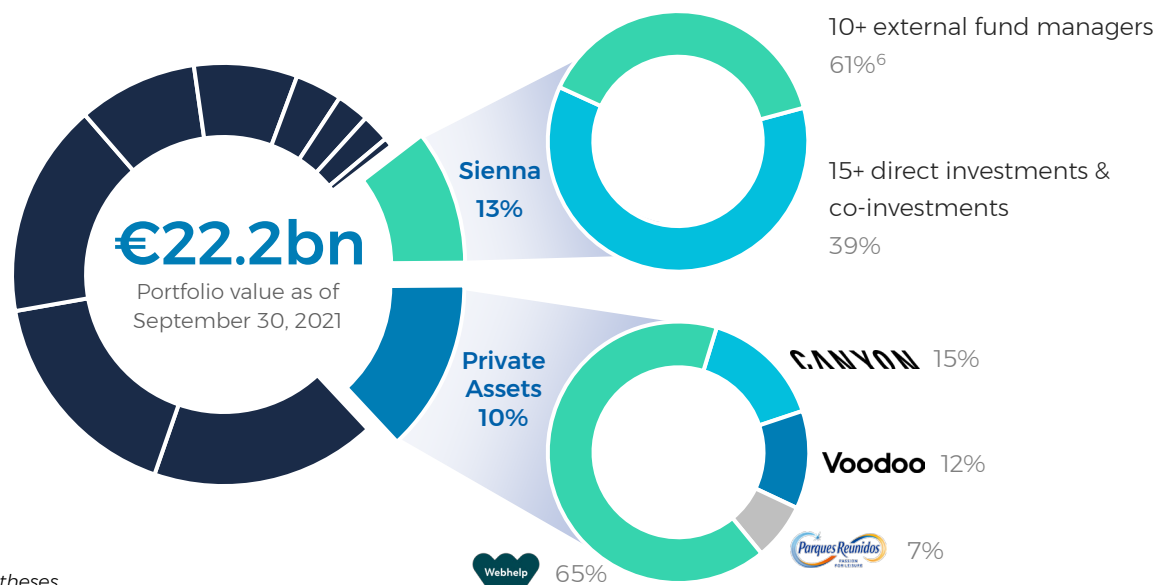
Market Capitalization<sup>4</sup>  
**€15.3**  
BILLION

2012-2021 Annualized TSR<sup>4</sup>  
**10.8%**

## A diversified portfolio offering growth and resilience

### Listed Assets - 77%<sup>5</sup>

17%	Pernod Ricard (7.6%)
17%	adidas (6.8%)
16%	SGS (19.1%)
9%	Umicore (15.9%)
8%	Imerys (54.6%)
4%	Mowi (7.0%)
6%	Others



<sup>1</sup> Group's share

<sup>2</sup> Non-IFRS measure

<sup>3</sup> As of September 30, 2021

<sup>4</sup> As of December 31, 2021

<sup>5</sup> Percentage of portfolio value shown; ownership in parentheses

<sup>6</sup> Includes 1% of new verticals and others

# Net asset value

- NAV per share of \$52.81 at September 30, 2021, up 51% year over year from \$34.94 as of September 30, 2020

	(\$ billions)	Sep. 30, 2021	% of Gross Asset Value
Publicly Traded Operating Companies <sup>(1)</sup>	Great-West	\$23.9	57.7%
	IGM	6.7	16.2%
	GBL	3.1	7.6%
		33.7	81.4%
Alt. Asset Investment Platforms	Sagard	1.4	3.4%
	Power Sustainable	1.7	4.2%
Other		3.1	7.6%
	China AMC	0.7	1.8%
	Standalone businesses	1.6	3.8%
	Other assets and investments	0.7	1.7%
	Cash and cash equivalents	1.6	3.8%
	<b>Gross asset value</b>	<b>\$41.4</b>	<b>100%</b>
	Liabilities and preferred shares	(5.7)	
	<b>Net asset value</b>	<b>\$35.7</b>	
	Shares outstanding (millions)	676.5	
	<b>Net asset value per share (\$)</b>	<b>\$52.81</b>	

<sup>1</sup> Based on Sep. 30, 2021 closing price of \$38.54 for Great-West, \$45.25 for IGM and €95.08 for GBL

Note: NAV and NAV per share are non-IFRS measures. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures and their reconciliation with IFRS financial measures. Refer to the "Clarifications on Net Asset Value" section at the beginning of this presentation for more information

# PCC is pursuing a focused strategy emphasizing financial services

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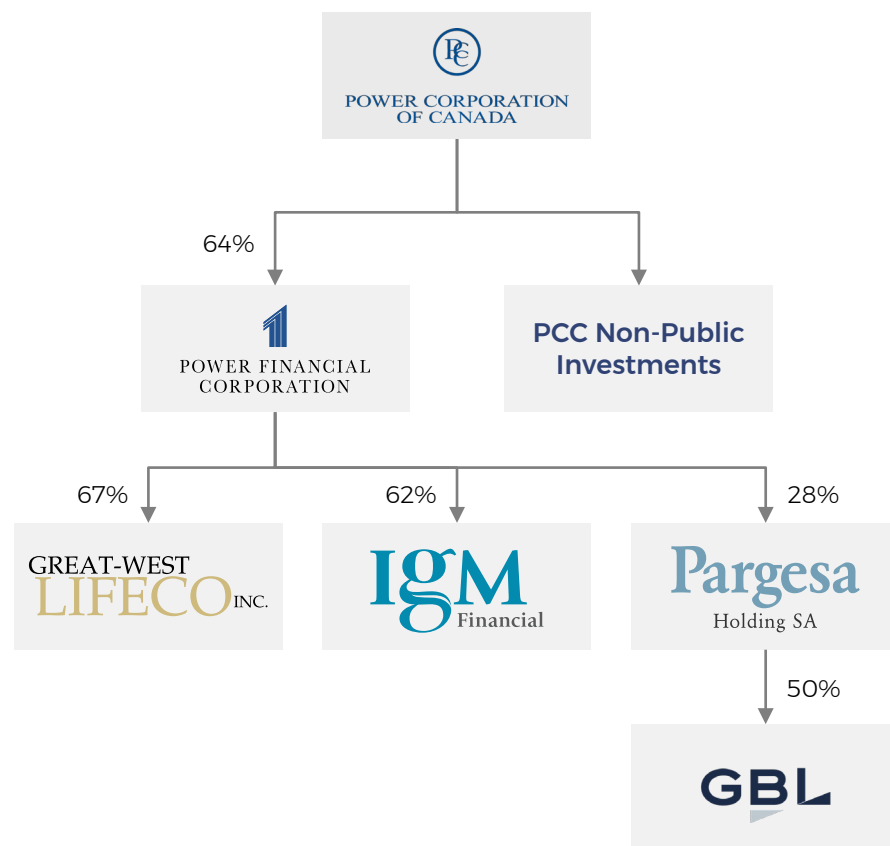
- Focused upon financial services, not diversification
- Publicly traded operating companies pursuing organic and inorganic value creation strategies
- Surfacing incremental value by:
  - Building alternative asset management businesses, creating value as asset managers and earning attractive returns on PCC's seed capital
  - Managing standalone businesses to realize value over time
  - Following disciplined cost management practices
  - Managing our financial structure prudently but efficiently, including returning capital to shareholders when appropriate

Clearly communicate our strategies, our objectives, and our performance to all market participants

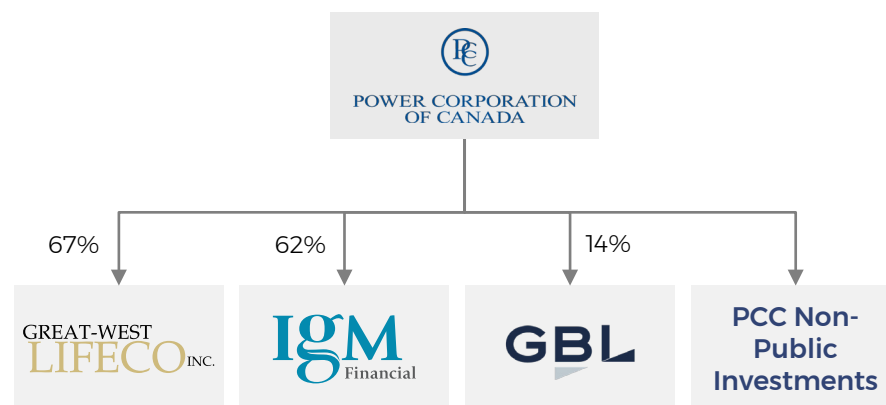
All guided by PCC's existing core principles

# Simplification of PCC's group structure

## Pre-December 2019 Reorganization



## September 30, 2021



# Focused business model in financial services

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**Two** main distribution channels



...offering **three** product offerings

Accumulation

Decumulation

Insurance

...in a **limited** number of **developed** markets



## Guiding principles underlying PCC's value creation strategy

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- Long-term perspective & investment horizon
- Build industry leaders with attractive growth profiles
- Provide active & strong governance oversight of our companies
- Strong financial position & prudent approach to risk management

# PCC group of companies' ongoing value creation strategy is focused on three key levers

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1

OpCo Organic Levers

Organic growth strategies at each of our publicly traded operating companies (OpCos):  
Great-West Lifeco, IGM & GBL

2

OpCo M&A Levers

Deployment and redeployment of capital

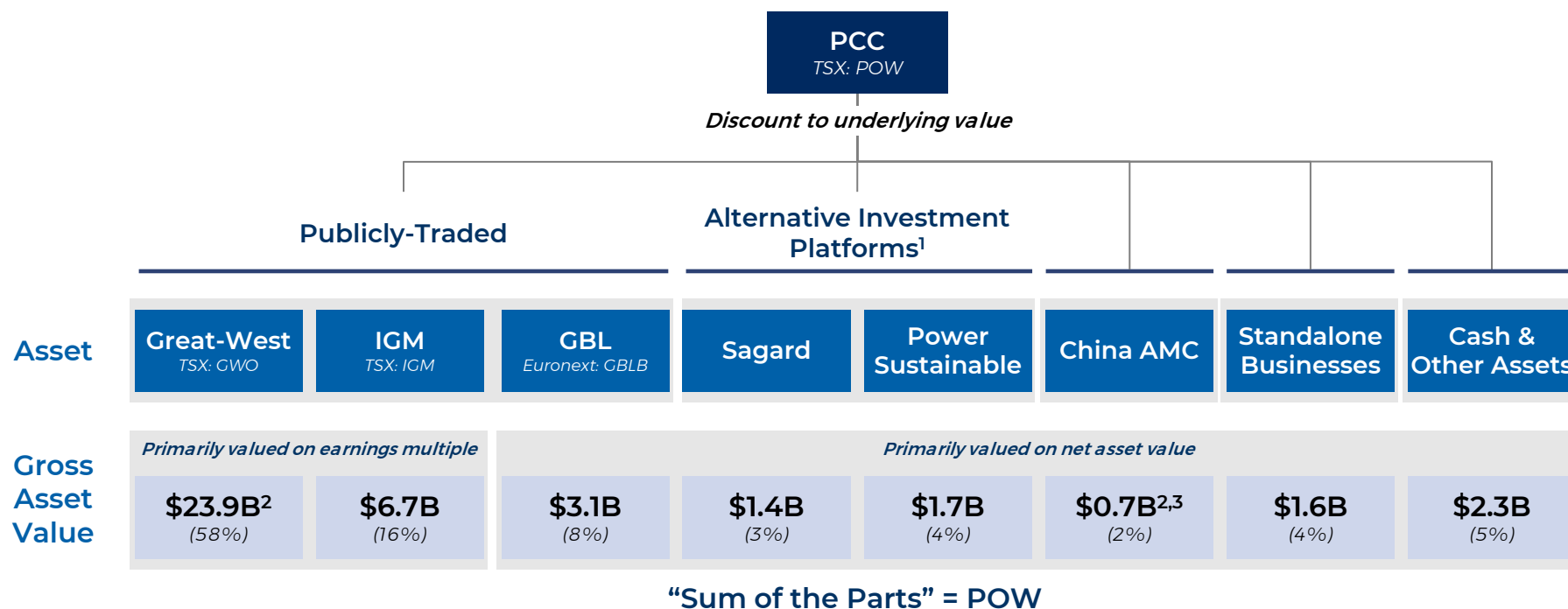
3

Holding Company Levers

Actions we can take at PCC and between PCC and its OpCos



# Value creation levers focused on increasing earnings and net asset value



## Value Creation Levers

### Opco organic and inorganic levers

- Increase EPS and NAV
- Achieve multiple expansion through:
  - Higher growth
  - Higher ROE
  - Investor communication

### HoldCo levers

- Increase NAV
- Reduce discount through:
  - Non-core NAV monetization
  - Central costs optimization
  - Capital return to shareholders
  - Investor communication

Note: Gross asset value as of September 30, 2021

¹ Includes PCC's proprietary capital invested in Sagard and Power Sustainable funds

² On Jan. 5, 2022, PCC announced a transaction under which the group's combined 27.8% interest in China AMC will be consolidated at IGM. PCC will sell its 13.9% interest in China AMC to IGM for \$1.15 billion. To partially fund the transaction, IGM has agreed to sell 15.2 million Great-West shares (representing approximately 1.6% of Great-West's shares outstanding) to PCC

³ China AMC presented at its carrying value in accordance with IFRS

## Value creation focus of the publicly traded operating companies

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- Drive higher earnings and cash flow growth
- Pursue M&A transactions to enhance earnings and strategic positioning
- Continuously manage portfolio to ensure growth and return objectives are met
- Clearly communicate strategy to all stakeholders

# A significant number of value-enhancing transactions were completed or announced since the reorganization

Date	Event	Size	Overview
Feb'20	Reorganization of <b>PCC and PFC</b>	<b>\$8.7 billion</b>	<ul style="list-style-type: none"> <li>Completed the reorganization of PFC and PCC to eliminate dual holding company structure</li> </ul>
Mar'20	Reorganization of <b>Pargesa and GBL</b>	<b>€2.7 billion<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Announced reorganization of Pargesa and GBL to eliminate dual holding company structure</li> </ul>
Jun'20	Empower Acquisition of <b>Personal Capital</b>	<b>US\$1.0 billion<sup>2</sup></b>	<ul style="list-style-type: none"> <li>Adds best-in-class direct-to-consumer hybrid digital wealth management platform, accelerating the growth of Empower's existing DC-focused retail wealth platform and its core DC business</li> </ul>
Aug'20	Mackenzie Acquisition of <b>GLC</b> Canada Life Acquisition of <b>QGOF</b>	<b>\$215 million</b> \$185 million GLC \$30 million QGOF	<ul style="list-style-type: none"> <li>Strengthens Mackenzie's position in the Canadian market with the addition of \$37 billion in AUM and supports Canada Life's objectives of strengthening and growing its wealth management business</li> </ul>
Sep'20	Empower Acquisition of <b>MassMutual's Retirement Services Business</b>	<b>US\$3.35 billion</b>	<ul style="list-style-type: none"> <li>Strengthens position as the 2nd largest player in U.S. retirement market and 10% EPS accretion</li> </ul>
Sep'20	Mackenzie & Great-West's Acquisition of a Strategic Interest in <b>Northleaf</b>	<b>\$245 million<sup>3</sup></b>	<ul style="list-style-type: none"> <li>Adds significant presence in the rapidly growing private markets investment industry</li> <li>Meets client demand across IGM and Great-West and balance sheet needs at Great-West</li> </ul>
Oct'20	<b>Wealthsimple</b> Fundraising	<b>\$114 million</b> \$1.4 billion pre-money valuation	<ul style="list-style-type: none"> <li>The investment round was led by leading institutional technology investors at a \$1.4 billion pre-money valuation</li> </ul>
Nov'20	<b>Lion Electric</b> Merger	<b>US\$520 million</b>	<ul style="list-style-type: none"> <li>Lion Electric listed on the TSX and New York Stock Exchange</li> </ul>

<sup>1</sup> Based on GBL's share price at the closing of each respective exchange period

<sup>2</sup> US\$825 million consideration and deferred consideration of up to US\$175 million

<sup>3</sup> Payment on closing. Excludes contingent consideration at the end of five years should the business achieve exceptional growth in performance measures over the period

## A significant number of value-enhancing transactions were completed or announced since the reorganization (cont'd)

Date	Event	Size	Overview
May'21	<b>Wealthsimple</b> Fundraising	<b>\$750 million</b> \$250 million primary, \$500 million secondary offering	<ul style="list-style-type: none"> <li>PCC group's interest valued at \$2.6 billion, including \$500 million returned as part of a secondary offering, a \$2.3 billion increase over invested capital</li> <li>PCC group retained 43% fully diluted equity interest and 60%<sup>1</sup> voting interest</li> </ul>
Jul'21	Canada Life Acquisition of <b>ClaimSecure</b>	Not disclosed	<ul style="list-style-type: none"> <li>Enhances Canada Life's presence in the third-party administrator and third-party payor markets</li> </ul>
Jul'21	Irish Life Acquisition of <b>Ark Life</b>	<b>€230 million</b>	<ul style="list-style-type: none"> <li>Acquisition adds significant scale to Irish Life's retail division</li> <li>Ark Life manages approximately 150,000 policies and €2.1 billion in assets</li> </ul>
Jul'21	Empower Acquisition of <b>Prudential's Full-Service Retirement Business</b>	<b>US\$3.55 billion</b>	<ul style="list-style-type: none"> <li>Reinforces Empower's position of leadership in the U.S. retirement market</li> <li>Highly accretive transaction driven by large synergy opportunities creates long-term value for Great-West Lifeco shareholders</li> <li>Leverages Empower's strong track record of building scale through M&amp;A and its proven integration capabilities</li> </ul>
Oct'21	PCC Sale of its Interest in <b>GP Strategies</b>	<b>\$94 million</b>	<ul style="list-style-type: none"> <li>GP Strategies acquired by Learning Technologies Group</li> <li>Part of PCC's strategy of managing standalone businesses to realize value over time</li> </ul>
Nov'21	Sagard Acquires <b>EverWest</b> from Great-West	Not disclosed	<ul style="list-style-type: none"> <li>U.S. based real estate investment platform with US\$3.8 billion in AUM</li> <li>Great-West will become a minority equity holder in Sagard Holdings Management Inc.</li> <li>As part of the transaction, Great-West has committed to investing additional capital in EverWest and certain Sagard managed funds</li> </ul>
Jan'22	PCC Group Consolidates Interest in <b>China AMC</b> Under IGM	<b>\$1.15 billion</b>	<ul style="list-style-type: none"> <li>Power continues to simplify corporate structure</li> <li>PCC sells its 13.9% interest in China AMC to IGM</li> <li>Transaction to be partially funded through sale by IGM of common shares of Great-West to PCC</li> </ul>

<sup>1</sup> Including a 3.8% interest held through a co-investment vehicle managed by Sagard

# Development of PCC's investment platforms

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- Operate in asset classes where we can create competitive advantage
- Raise and manage primarily third-party capital, with PCC acting as a provider of seed capital
- Demonstrate the ability to be profitable as an asset manager within a reasonable time period, thereby increasing the returns we earn on our seed capital
- Realize synergies with our various operating companies, by creating mutually beneficial distribution agreements to help them serve their clients, or by meeting their own balance sheet needs



## Multi-strategy alternative asset manager

- Private Equity
- Private Credit
- Venture Capital
- Healthcare Royalties
- Real Estate (*acquired Q4'21*)



## Power Sustainable China

- Manager of Chinese public equities

## Energy Infrastructure

- Renewable energy infrastructure

# Sagard and Power Sustainable continue to drive growth in AUM by attracting third party capital

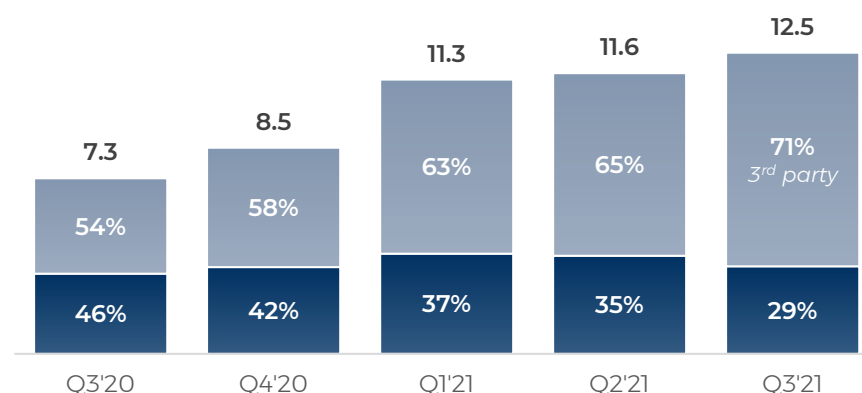
**\$3.4 billion<sup>1</sup> raised from 3<sup>rd</sup> party investors at Sep'21 YTD across all 6 strategies**

## 2021 Highlights

- Launch of Power Sustainable Energy Infrastructure Partnership, including \$600M raised from 3<sup>rd</sup> parties
- \$382 million of net inflows in Power Pacific
- Final close of Sagard Healthcare Royalty Partners with US\$163 million in additional commitments
- US\$457 million of additional commitments for Sagard Credit products
- €227 million of additional commitments in Sagard Europe 4
- Launch of Portage III with total commitments of US\$468 million to date, including US\$110 million subsequent to Q3'21
- Launch of Portage Fintech Acquisition Corporation for gross proceeds of US\$259 million<sup>2</sup>
- PCC completed the sale of its LP interest in Sagard Europe 3 to 3<sup>rd</sup> party investors for \$334 million

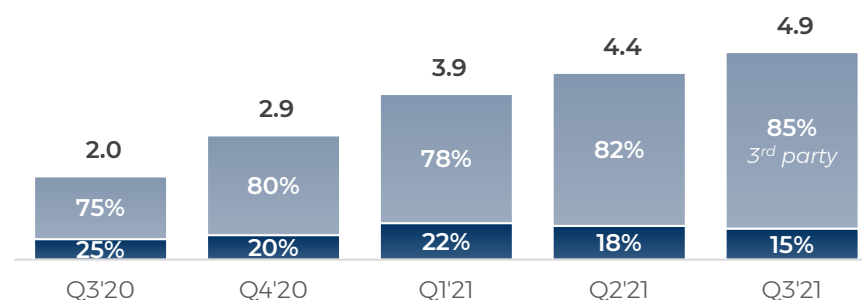
## Funded and Unfunded AUM

(\$ billions)



## Unfunded AUM

(\$ billions)



■ PCC ■ 3rd Party

<sup>1</sup> Converted to C\$ based on average exchange rate of the quarter in which funds were raised

<sup>2</sup> Excluded from AUM

Note: Information as of Q3'21, unless otherwise noted. Included in 3<sup>rd</sup> parties are associated companies including Great-West Lifeco, IGM and GBL as well as commitments from management

# \$12.5 billion of AUM at alternative asset investment platforms

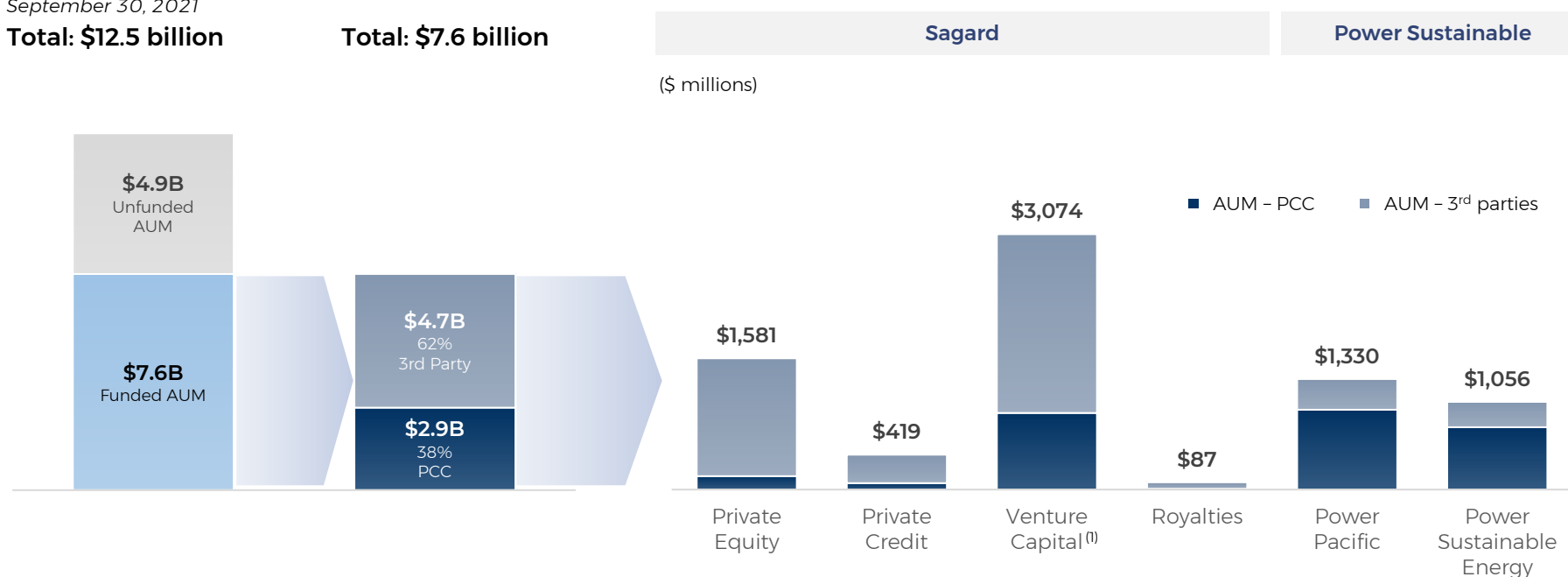
## Funded and Unfunded AUM

September 30, 2021

**Total: \$12.5 billion**

## Total Funded AUM and Funded AUM by Platform

**Total: \$7.6 billion**



Note: Converted to C\$ based on exchange rates as of September 30, 2021. AUM excludes standalone businesses and wealth management business. Included in 3rd parties are associated companies including Great-West Lifeco, IGM and GBL as well as commitments from management.

<sup>1</sup> Includes ownership in Wealthsimple valued at \$2.1 billion based on its May 2021 investment round

# PCC's alternative asset management strategy part of the group's broader strategy in alternatives

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- **Limited partner (LP) in Power Sustainable's Energy Infrastructure Partnership, Sagard's Portage and private credit funds, and investor in Northleaf and Sagard Holdings Management Inc.**
  - Advance strategy to expand alternative investments for its balance sheet
  - Increase client / customer access to private markets solutions
  - Leverage relationship to remain at the forefront of fintech developments and explore partnership opportunities



- **Investor in Northleaf and LP in Sagard's Portage funds**
  - Increase client / customer access to private markets solutions
  - Expands IGM's asset management capabilities in global private equity, private credit and infrastructure
  - Leverage relationship to remain at the forefront of fintech developments and explore partnership opportunities



- **LP in multiple Sagard Europe funds through Sienna Investment Managers**
  - GBL and Sagard benefit from each other's experience and expertise through common executive and Board members



# China AMC's growth has accelerated

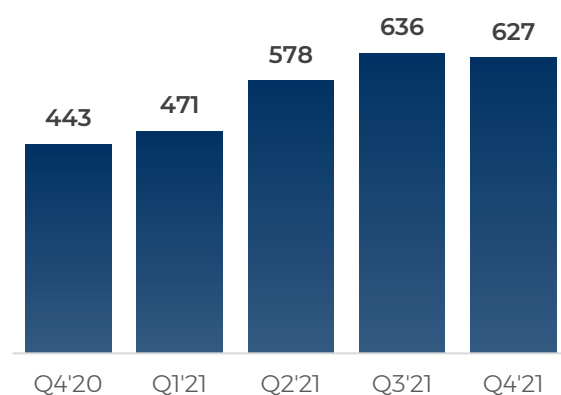


On January 5, 2022, PCC announced an agreement under which the group's combined 27.8% ownership in China AMC would be consolidated at IGM

- A leading asset manager in China across mutual funds, ETFs and institutional
- AUM<sup>1</sup> was RMB¥1,662 billion as of Dec'21, a 14% increase from RMB¥1,461 billion as of Dec'20
- In Q3'21, Mackenzie Investments introduced two funds in partnership with China AMC to expand Canadians' access to growth opportunities in China

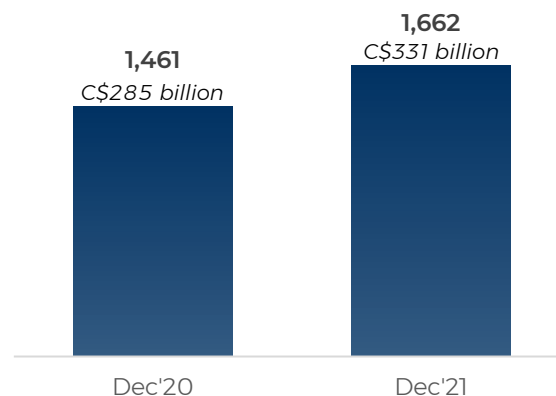
## Net Profit

(RMB¥ millions)



## Assets Under Management<sup>1</sup>

(RMB¥ billions)



## Market Performance






<sup>1</sup> Excluding subsidiary AUM

# Standalone businesses – An additional source of value creation

PCC will manage standalone businesses, representing \$1.6 billion<sup>1</sup> of NAV in aggregate, to realize value over time

- In October 2021, PCC monetized its interest in GP Strategies through its merger with Learning Technologies Group, receiving proceeds of \$94 million<sup>2</sup>

Business	Dec. 31, 2021 Fair Value (Publicly Listed Co's)	Progress in Surfacing and Realizing Value
 (TSX:LEV, NYSE:LEV)	\$848 million	<ul style="list-style-type: none"> <li>Completed merger with Northern Genesis Acquisition Corp. in May 2021 whereby Lion began trading on the NYSE and TSX</li> </ul>
	Private Company	<ul style="list-style-type: none"> <li>Continued positive business momentum and growth with its new product introductions</li> </ul>
<b>Peak Achievement Athletics</b>	Private Company	<ul style="list-style-type: none"> <li>In Q4'20, Rawlings Sporting Goods purchased a controlling interest in Easton Diamond Sports, a Peak Achievement Athletics-controlled business</li> </ul>
	Interest Sold Oct'21	<ul style="list-style-type: none"> <li>Acquisition by Learning Technologies Group completed in October 2021</li> </ul>

<sup>1</sup> As of September 30, 2021. Including value of GP Strategies, which was monetized subsequent to Q3'21. Net of taxes and long-term incentive plan. An additional deferred tax liability has been included in the net asset value with respect to the investments in standalone businesses at fair value, without taking into account possible tax reduction strategies. The Corporation has tax attributes (not otherwise recognized on the balance sheet) that could be available to minimize the tax if the Corporation were to dispose of its interests held in the standalone businesses

<sup>2</sup> Before tax and carried interest

# Power Corporation and its OpCos have elevated their communication programs with the investment community

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POWER CORPORATION  
OF CANADA

- Launched quarterly earnings call in Q1'20
- New investment platform disclosure aligned with business model in Q2'20
- Enhanced investment platform and non-consolidated MD&A disclosure
- Meetings with 114 investors and analysts in 2021



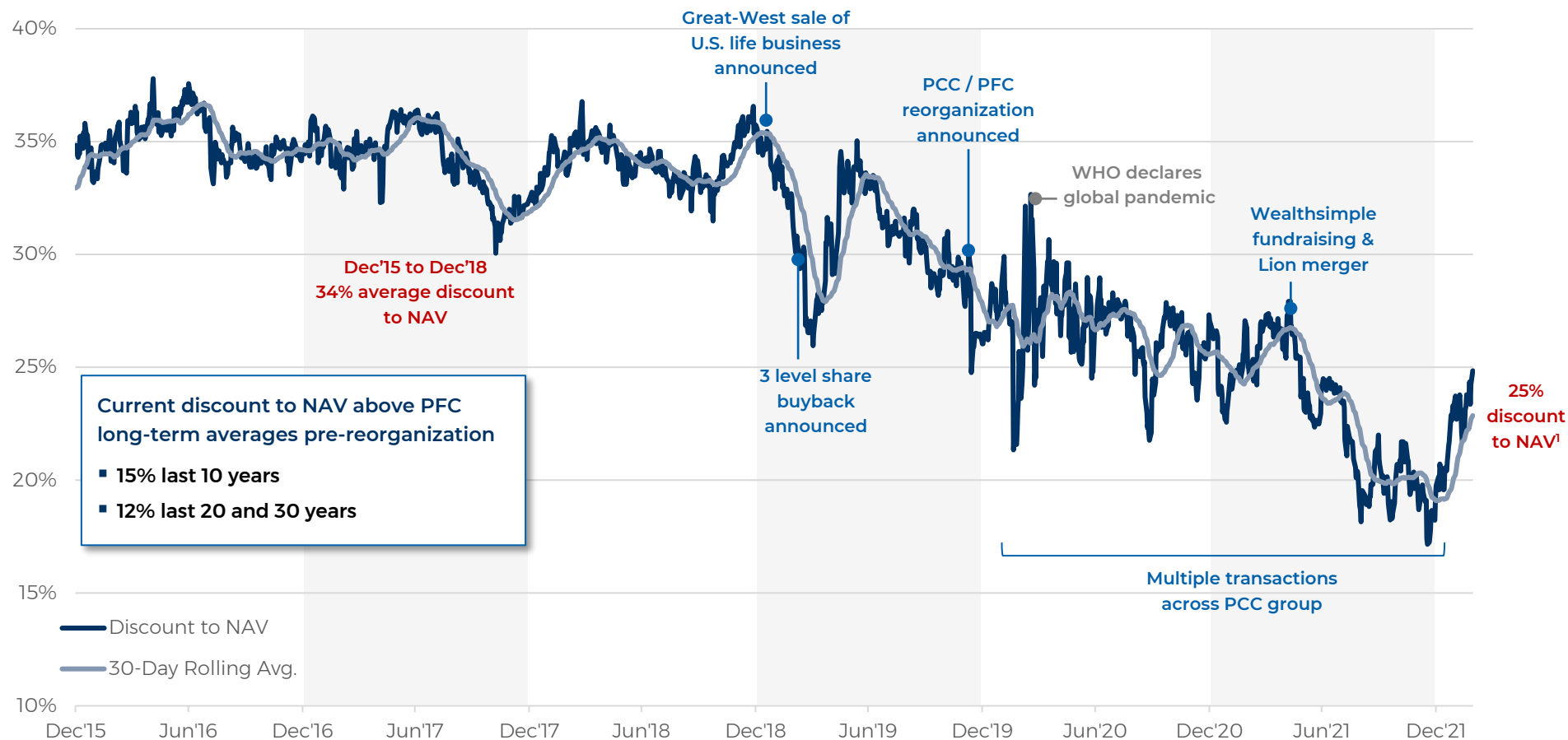
- *Base earnings* metric and new segment disclosure introduced in Q1'20
- Enhanced Source of Earnings disclosure in Q2'20
- New quarterly earnings presentation slides introduced in Q1'21 to highlight growth drivers and enhance communication around businesses
- Great-West provided medium-term financial objectives of 8-10% Base EPS growth per annum, 14-15% Base ROE before M&A and dividend target



- New segment disclosure introduced in Q3'20: *Wealth Management, Asset Management* and *Strategic Investments & Other*
- Expanding segment disclosures to report to the Net Earnings line in Q1'21
- Introduction of adjusted net earnings and valuation by segment in Q1'21 to reinforce sum-of-the-parts approach to valuation

# PCC discount to NAV

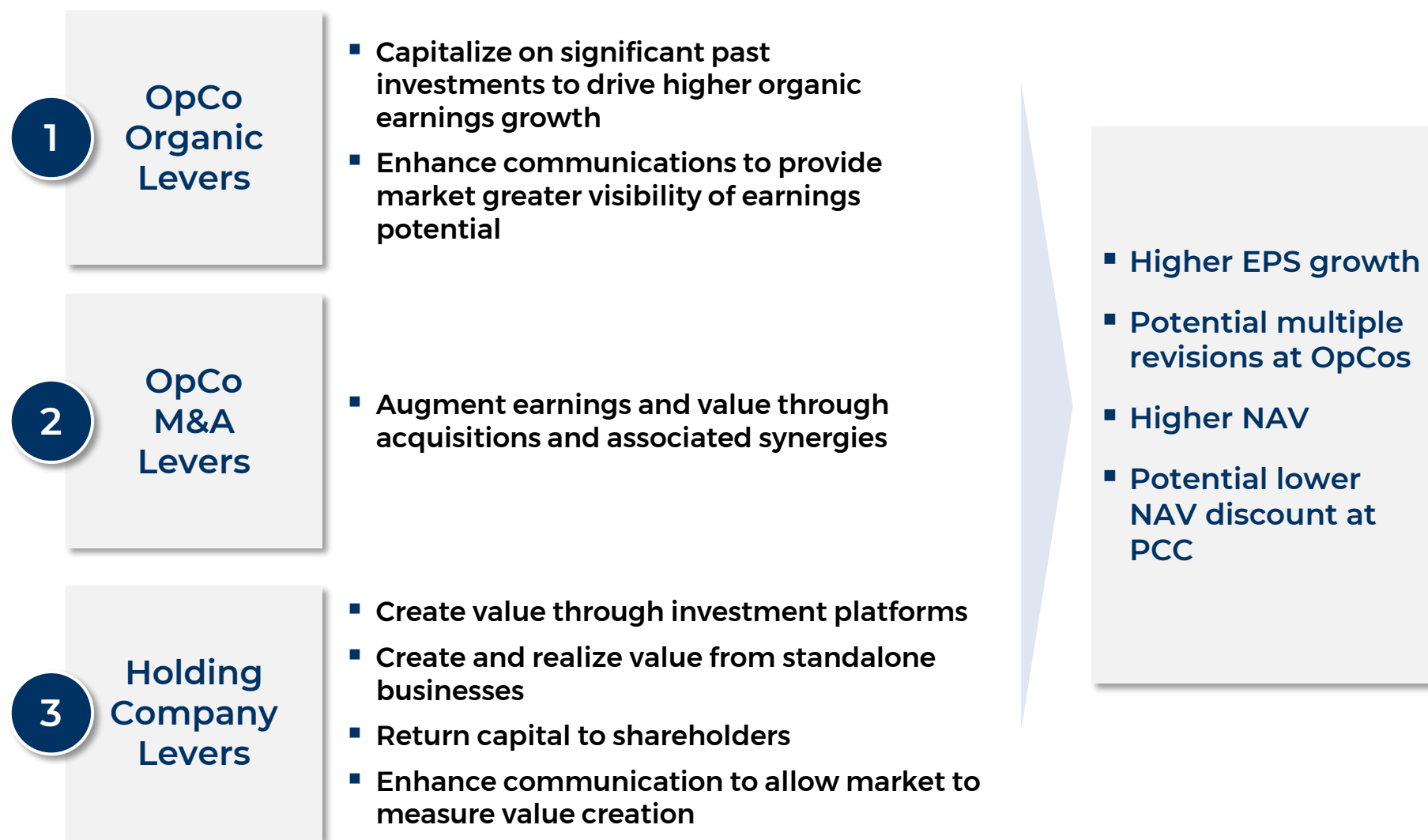
Power Corporation's discount to NAV has been narrowing with increased corporate activity



<sup>1</sup>As of February 28, 2022

# Value creation roadmap

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*Note: OpCos refer to PCC operating companies such as Great-West Lifeco, IGM Financial and GBL*

# Appendix



POWER CORPORATION  
OF CANADA

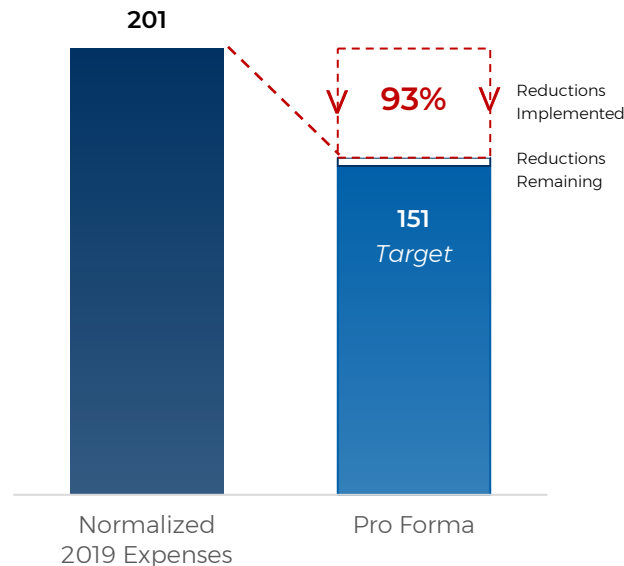
# Operating expense reduction

As of September 30, 2021, we have implemented actions to achieve 93% of the targeted expense reductions, or \$47 million on an annual run-rate basis to date

- Reorganization of asset management activities
- Restructuring of the Group's research and advisory services model
- Reorganization of travel services
- Rationalization of real estate business
- Reduction of certain public company expenses of Power Financial and other restructuring activities
- Decrease in cost of the senior management group following the retirement of the former Co-CEOs

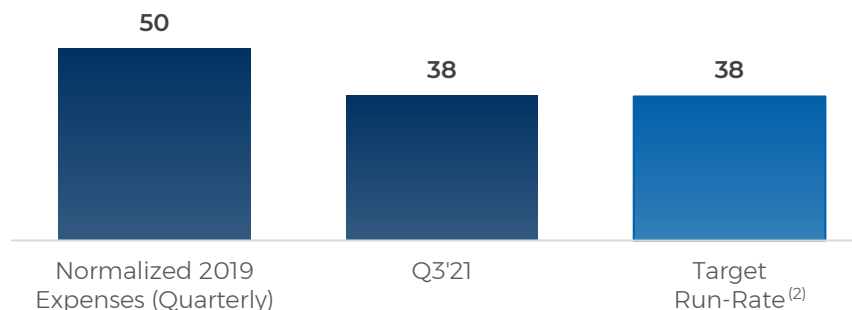
## Progress to Date

(\$ millions)



## Quarterly Operating Expenses<sup>1</sup>

(\$ millions)



<sup>1</sup> Q3'21 represents operating expenses (\$36 million) and depreciation (\$2 million). Excludes financing charges (\$13 million) and income taxes (\$6 million)

<sup>2</sup> Target run-rate operating expenses exclude impact of pandemic-related cost savings