POWER CORPORATION
OF CANADA

Notice of 2020 Annual Meeting of Shareholders

To the holders of Participating Preferred Shares and Subordinate Voting Shares:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of POWER CORPORATION OF CANADA will be held on Friday, May 15, 2020, at 11:00 a.m., Eastern time, for the following purposes:

1. to elect directors;
2. to appoint auditors;
3. to receive the consolidated financial statements for the year ended December 31, 2019 and the auditors' report thereon;
4. to pass an ordinary resolution approving certain amendments to the Power Executive Stock Option Plan;
5. to pass an ordinary resolution confirming the amendment of the by-laws that was effected by the Board of Directors on March 18, 2020; and
6. to transact such other business as may properly come before the Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Stéphane Lemay
Vice-President, General Counsel and Secretary
Montréal, Québec
March 18, 2020

If you do not expect to be present at the online meeting, please complete, date and sign the accompanying form of proxy or voting instruction form and return it in the envelope enclosed or otherwise vote by telephone or the Internet by following the instructions on the accompanying form of proxy or voting instruction form.

Si vous préférez recevoir un exemplaire en français, veuillez vous adresser au secrétaire,

Power Corporation du Canada
751, square Victoria
Montréal (Québec)
Canada H2Y 2J3

This year, to proactively deal with the unprecedented public health impact of coronavirus disease, also known as COVID-19, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, the Meeting is being held as a completely virtual meeting, which will be conducted via live webcast. All participants, including shareholders, will be permitted to communicate adequately during the Meeting, regardless of their geographic location. The Meeting will not take place in a physical location and shareholders will therefore not be able to attend the Meeting in person. As described in further detail in the accompanying management proxy circular, only registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at https://web.lumiagm.com/270099123.

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Management Proxy Circular

This Management Proxy Circular is sent in connection with the solicitation by the management of Power Corporation of Canada ("Power", "PCC" or the "Corporation") of proxies for use at the Annual Meeting of Shareholders of the Corporation to be held on Friday, May 15, 2020 (the "Meeting"), or any adjournment thereof.

The Meeting will be held as a completely virtual meeting, which will be conducted via live webcast. The Meeting will not take place in a physical location and shareholders will therefore not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Meeting online is provided below. Only registered shareholders and duly appointed proxyholders will be entitled to attend, participate and vote at the Meeting. Non-registered shareholders who have not duly appointed themselves as proxyholder will not be able to participate or vote at the Meeting but will be able to listen to the online Meeting as guests.

The method of solicitation will be primarily by mail. However, proxies may also be solicited by employees of the Corporation in writing or by telephone at nominal cost. The Corporation has also engaged a proxy solicitation firm, Kingsdale Advisors, to potentially solicit proxies on behalf of management. The costs of such engagement will be borne by the Corporation and are expected to be approximately $45,000 plus disbursements. The Corporation has agreed to indemnify such proxy solicitation firm against certain liabilities arising out of or in connection with such engagement.

The following abbreviations have been used throughout this Management Proxy Circular:

Name in full	Abbreviation
Power Financial Corporation	PFC
Great-West Lifeco Inc.	Lifeco
IGM Financial Inc.	IGM
Investors Group Inc.	IG Wealth Management
Pargesa Holding SA	Pargesa
The Canada Life Assurance Company*	Canada Life
Toronto Stock Exchange	TSX
Canadian Securities Administrators	CSA
Statement of Executive Compensation of PFC dated March 18, 2020	PFC's Statement of Executive Compensation

* As of January 1, 2020, The Canada Life Assurance Company, The Great-West Life Assurance Company, London Life Insurance Company, Canada Life Financial Corporation and London Insurance Group Inc. were amalgamated and continued as one company under the name The Canada Life Assurance Company.

Additionally, herein, the Corporation and the subsidiaries of the Corporation are collectively referred to as the "Power Group".

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

On March 18, 2020, there were outstanding 54,860,866 Participating Preferred Shares and 624,323,591 Subordinate Voting Shares of the Corporation. The Participating Preferred Shares and the Subordinate Voting Shares are herein sometimes collectively referred to as the "Shares".

Each holder of Participating Preferred Shares is entitled to 10 votes and each holder of Subordinate Voting Shares is entitled to one vote at the Meeting, or any adjournment thereof, for each share registered in the holder's name as at the close of business on March 18, 2020 (the "Record Date"). The Subordinate Voting Shares represent 53.23 per cent of the aggregate voting rights attached to the Corporation's outstanding Shares.

The Articles of the Corporation do not contain any rights or provisions applicable to holders of Subordinate Voting Shares of the Corporation where a takeover bid is made for the Participating Preferred Shares of the Corporation.

On February 13, 2020, the Corporation and PFC completed a reorganization transaction (the "Reorganization") pursuant to which each common share of PFC ("PFC Common Share") held by shareholders other than the Corporation and its wholly owned subsidiaries was exchanged for 1.05 Subordinate Voting Shares and $0.01 in cash. In connection with the Reorganization, the Corporation issued an aggregate of 250,628,173 Subordinate Voting Shares. On February 12, 2020, in connection with the Reorganization and in accordance with the pre-emptive right in favour of holders of Participating Preferred Shares included in the Articles of the Corporation (the "Pre-Emptive Right"), the Corporation issued 6,006,094 Participating Preferred Shares, to holders who duly exercised their Pre-Emptive Right. The Pre-Emptive Right allowed holders of Participating Preferred Shares to acquire from the Corporation pro rata to their respective holdings thereof, an aggregate number of Participating Preferred Shares that was equal to 12 per cent of the number of Subordinate Voting Shares issued by the Corporation pursuant to the Reorganization. Pursuant to the Pre-Emptive Right, Pansolo Holding Inc. ("Pansolo") purchased six million Participating Preferred Shares on February 12, 2020.

To the knowledge of the Directors and officers of the Corporation, as of March 18, 2020, the Desmarais Family Residuary Trust exercises control over Pansolo which, directly and indirectly, owns 54,697,962 Participating Preferred Shares and 48,363,392 Subordinate Voting Shares in the aggregate, representing 99.70 per cent and 7.75 per cent, respectively, of the outstanding shares of such classes and 50.76 per cent and 15.17 per cent, respectively, of the votes associated with, and quantity of, the total outstanding Shares of the Corporation. The Desmarais Family Residuary Trust is for the benefit of members of the family of The Honourable Paul G. Desmarais. The Trustees of the Desmarais Family Residuary Trust are Paul Desmarais, Jr., André Desmarais, Sophie Desmarais, Michel Plessis-Bélair and Guy Fortin. The

Trustees also act as voting administrators. Decisions with respect to voting and disposition of Shares of the Corporation controlled by the Desmarais Family Residuary Trust are determined (subject to the rights of Paul Desmarais, Jr. and André Desmarais to direct the sale or pledge of up to 15,000,000 and 14,000,000 of those Subordinate Voting Shares, respectively, as described herein) by a majority of the Trustees of the Desmarais Family Residuary Trust, excluding Sophie Desmarais; provided that if there is no such majority, Paul Desmarais, Jr. and André Desmarais, acting together, may make such decisions. Paul Desmarais, Jr., André Desmarais and Michel Plessis-Bélair are each a Director or officer of Power.

To the knowledge of the Directors and officers of the Corporation, no other person or company beneficially owns, or controls or directs, directly or indirectly, more than 10 per cent of any class of voting securities of the Corporation.

VOTING INSTRUCTIONS FOR REGISTERED SHAREHOLDERS

A shareholder is a registered shareholder if shown as a shareholder on the Record Date on the shareholder list kept by Computershare Investor Services Inc. ("Computershare"), as registrar and transfer agent of the Corporation for the Shares, in which case a share certificate or statement from a direct registration system will have been issued to the shareholder which indicates the shareholder's name and the number of Shares owned by the shareholder. Registered holders of Shares will receive with this Management Proxy Circular a form of proxy from Computershare representing the Shares held by the registered shareholder.

If a Registered Shareholder Does Not Wish to Attend the Meeting

In order to be voted at the Meeting, or any adjournment thereof, proxies from registered shareholders must be properly executed and received by or deposited with Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1 (or voted by telephone or the Internet by following the instructions on the accompanying form of proxy), no later than 11:00 a.m. (Eastern Time) on May 13, 2020 (the "Voting Deadline").

If a Registered Shareholder Wishes to Vote and Attend the Meeting

Registered shareholders who wish to attend and vote at the Meeting should not complete or return the proxy. Such registered shareholders should access the Meeting by visiting https://web.lumiagm.com/270099123 and clicking on "I have a login" and entering a Control Number and Password before the start of the Meeting. The Control Number is located on the form of proxy or in the email notification received by the registered shareholder. The Password to the Meeting is "power2020" (case sensitive). A registered shareholder using the provided Control Number to login to the Meeting must accept the terms and conditions. Such registered shareholders will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. A vote made during the online ballot will revoke any previously submitted proxy. Any registered shareholder that does not wish to revoke a previously submitted proxy can refrain from voting during the online ballot.

If a Registered Shareholder Wishes to Appoint a Third Party to Vote and Attend at the Meeting

Registered shareholders who wish to appoint a third party proxyholder to attend, participate or vote at the Meeting as their proxy and vote their Shares MUST submit their proxy appointing such third party proxyholder AND register the third party proxyholder, as described below. Registering such a proxyholder is an additional step to be completed AFTER submitting a proxy. Failure to register the proxyholder will result in the proxyholder not receiving a Control Number to attend, participate or vote at the Meeting. To appoint a third party proxyholder, registered shareholders should insert such person's name in the blank space provided in the form of proxy and follow the instructions for submitting such form of proxy. This must be completed prior to registering such proxyholder.

To register a proxyholder, registered shareholders MUST visit http://www.computershare.com/powercorporation by 11:00 a.m. (Eastern time) on May 13, 2020 and provide Computershare with the required proxyholder contact information, so that Computershare may provide the proxyholder with a Control Number via email.

Third party proxyholders appointed by registered shareholders should access the Meeting by visiting https://web.lumiagm.com/270099123 and clicking on "I have a login" and entering a Control Number and Password before the start of the Meeting. Computershare will provide the proxyholder with a Control Number by e-mail after the Voting Deadline has passed. The Password to the Meeting is "power2020" (case sensitive).

If a Registered Shareholder Wishes to Revoke a Proxy

A registered shareholder who has submitted a proxy may revoke the proxy by instrument in writing executed by the registered shareholder or his or her attorney authorized in writing or, if the registered shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either with Computershare or at the registered office of the Corporation, located at 751 Victoria Square, Montréal, Québec, Canada, no later than 11:00 a.m. (Eastern time) on May 13, 2020, or at least 48 hours before any adjournment thereof, at which the proxy is to be used, or by logging in to the Meeting online, or any adjournment thereof, and accepting the terms and conditions, or in any other manner permitted by law, but prior to the exercise of such proxy in respect of any particular matter.

VOTING INSTRUCTIONS FOR NON-REGISTERED SHAREHOLDERS

A shareholder is a non-registered shareholder (or beneficial owner) if [i] an intermediary (such as a bank, trust company, securities dealer or broker, trustee or administrator of RRSPs, RRIFs, RESPs and similar plans), or [ii] a clearing agency (such as CDS Clearing and Depository Services Inc.), of which the intermediary is a participant, holds the shareholder's Shares on behalf of the shareholder (in each case, an "Intermediary").

In accordance with CSA *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), the Corporation is distributing copies of materials related to the Meeting to Intermediaries for distribution to non-registered shareholders and such Intermediaries are to forward the materials related to the Meeting to each non-registered shareholder (unless the non-registered shareholder has declined to receive such materials). Such Intermediaries often use a service company (such as Broadridge Investor Communication Solutions in Canada ("Broadridge")), to permit the non-registered shareholder to direct the voting of the Shares held by the Intermediary, on behalf of the non-registered shareholder. The Corporation is paying Broadridge to deliver, on behalf of the Intermediaries, a copy of the materials related to the Meeting to each "objecting beneficial owner" and each "non-objecting beneficial owner" (as such terms are defined in NI 54-101).

If a Non-Registered Shareholder Does Not Wish to Attend the Meeting

Non-registered shareholders who do not wish to attend the Meeting should carefully follow the instructions on the voting instruction form that they receive from their Intermediary in order to vote the Shares that are held through that Intermediary. Non-registered shareholders of the Corporation should submit voting instructions to Intermediaries in sufficient time to ensure that their votes are received from the Intermediaries by the Corporation.

If a Non-Registered Shareholder Wishes to Vote and Attend the Meeting

Since Power generally does not have access to the names of its non-registered shareholders, non-registered shareholders who wish to attend and vote at the Meeting should insert their own name in the blank space provided in the voting instruction form to appoint themselves as proxyholders and then follow their Intermediary's instructions for returning the voting instruction form AND register themselves as proxyholder. To register as a proxyholder, non-registered shareholders MUST visit http://www.computershare.com/powercorporation by 11:00 a.m. (Eastern time) on May 13, 2020 and provide Computershare with the required proxyholder contact information, so that Computershare may provide the proxyholder with a Control Number via email. Without a Control Number, proxyholders will not be able to participate or vote at the Meeting. By doing so, a non-registered shareholder is instructing its intermediary to appoint the non-registered shareholder as proxyholder. It is important that non-registered shareholders comply with the signature and return instructions provided by their intermediaries. Non-registered shareholders who have appointed themselves as proxyholders and who wish to attend and vote at the Meeting should not complete the voting section of the voting instruction form. Non-registered shareholders who have appointed themselves as proxyholders should access the Meeting by visiting https://web.lumiagm.com/270099123 and clicking on "I have a login" and entering a Control Number and Password before the start of the Meeting. Computershare will provide the proxyholder with a Control Number by e-mail after the Voting Deadline has passed. The Password to the Meeting is "power2020" (case sensitive).

Non-registered shareholders who have not appointed themselves as proxyholders may still attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to participate or vote at the Meeting (see below "Attendance and Participation at the Meeting").

If a Non-Registered Shareholder Wishes to Appoint a Third Party to Vote and Attend the Meeting

Non-registered shareholders who wish to appoint a third party proxyholder to attend, participate or vote at the Meeting as their proxy and vote their Shares MUST submit their voting instruction form appointing such third party proxyholder AND register the third party proxyholder, as described below. Registering such a proxyholder is an additional step to be completed AFTER submitting a voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Control Number to attend, participate or vote at the Meeting. To appoint a third party proxyholder, non-registered shareholders should insert such person's name in the blank space provided in the form of voting instruction form (if permitted) and follow the instructions for submitting such form of voting instruction form. This must be completed prior to registering such proxyholder.

Third party proxyholders appointed by non-registered shareholders should access the Meeting by visiting https://web.lumiagm.com/270099123 and clicking on "I have a login" and entering a Control Number and Password before the start of the Meeting. Computershare will provide the proxyholder with a Control Number by e-mail after the Voting Deadline has passed. The Password to the Meeting is "power2020" (case sensitive). A non-registered shareholder located in the United States that wishes to attend, participate or vote at the Meeting or, if permitted, appoint a third party as proxyholder, in addition to the steps described herein must obtain a valid legal proxy from its intermediary. Such non-registered shareholders should follow the instructions from such intermediary included with the provided voting information form, or contact the intermediary to request a legal proxy form or a legal proxy if they have not received one. After obtaining a valid legal proxy from the intermediary, such non-registered shareholders must then submit such legal proxy to Computershare. Requests for registration from non-registered shareholders located in the United States that wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail or by courier to: uslegalproxy@computershare.com (if by e-mail), or Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (if by courier), and in both cases, must be labeled as "legal proxy" and received by no later than 11:00 a.m. (Eastern time) on May 13, 2020.

Non-registered shareholders who have not duly appointed themselves as proxyholder will not be able to participate or vote at the Meeting.

If a Non-Registered Shareholder Wishes to Revoke Voting Instructions

A non-registered shareholder may revoke previously given voting instructions by contacting his or her Intermediary and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke voting instructions if it receives insufficient notice of revocation.

ATTENDANCE AND PARTICIPATION AT THE MEETING

The Corporation is holding the Meeting in virtual format only, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person.

Attending the Meeting online enables registered shareholders and duly appointed proxyholders to participate at the Meeting. Registered shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

Guests, including non-registered shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to participate or vote.

> Log in online at https://web.lumiagm.com/270099123. You should allow ample time to check into the Meeting online and complete the related procedure.

> Click “Guest” and then complete the online form.

VOTING BY PROXY

Shareholders Can Choose any Person or Company as their Proxyholder

Each of the persons named in the form of proxy as proxyholder is a representative of management of the Corporation and is a Director and officer of the Corporation.

Every shareholder has the right to appoint some other person or company of their choice (who need not be a shareholder) to attend and act on their behalf at the online Meeting, or any adjournment thereof, and may do so by inserting such other proxyholder’s name in the blank space provided for that purpose in the form of proxy or voting instruction form and complying with the further instructions provided in this Management Proxy Circular, form of proxy or voting instruction form, as applicable.

How Proxyholders Will Vote

The persons designated in the form of proxy or voting instruction form will vote for, against or withhold from voting the Shares represented by such form in accordance with the instructions of the shareholder as indicated on such form on any ballot that may be called for and, if the shareholder has specified a choice with respect to any matter to be acted on, the Shares will be voted for, against, or withheld from voting, accordingly. In the absence of such instructions, Shares represented by a proxy will be voted for, against, or withheld from voting, in the discretion of the persons designated in the proxy, which in the case of the representatives of management named in the form of proxy will be as follows: for the election, as Directors, of all nominees listed in this Management Proxy Circular, for the appointment of Deloitte LLP as auditors of the Corporation, for the amendment to the Power Executive Stock Option Plan and for the amendment to the by-laws of the Corporation.

The proxy confers discretionary authority in respect of amendments to matters identified in the Notice of 2020 Annual Meeting of Shareholders and such other matters as may properly come before the Meeting or any adjournment thereof. Management of the Corporation is not aware that any such amendments or other matters are to be submitted to the Meeting.

ELECTION OF DIRECTORS

The Board of Directors of the Corporation (sometimes herein referred to as the "Board") may consist of not less than 9 and not more than 28 members as determined from time to time by the Board, such number presently being fixed at 12 until the Meeting, at which time the Board has determined to fix the number at 13 upon the recommendation of the Governance and Nominating Committee. The 13 persons named hereunder will be proposed for election at the Meeting as Directors of the Corporation. Except where authority to vote in respect of the election of Directors is withheld, the representatives of management named in the accompanying form of proxy will vote the shares represented thereby for the election of the persons named hereunder. Management of the Corporation does not contemplate that any of the persons named hereunder will be unable or unwilling to serve as a Director; however, if such event should occur prior to the election, the persons designated in the accompanying form of proxy reserve the right to vote for the election in his or her stead of such other person as they, in their discretion, may determine.

The term of office of each Director currently in office expires at the close of the Meeting. Each Director elected at the Meeting shall hold office until the close of the next Annual Meeting of Shareholders or until a successor to the Director is otherwise elected, unless he or she resigns or his or her office becomes vacant for any reason. Under policies adopted by the Board, shareholders have the ability to vote for or withhold from voting for each individual Director proposed for election to the Board of Directors of the Corporation.

The *Canada Business Corporations Act* and applicable securities legislation require that the Corporation have an Audit Committee. The Board of Directors also appoints a Human Resources Committee (formerly, the Compensation Committee), a Related Party and Conduct Review Committee, and a Governance and Nominating Committee as more fully described in the section entitled "Statement of Corporate Governance Practices" in this Management Proxy Circular.

Minimum Equity Ownership Requirement for Directors

To further align the interests of Directors with the long-term interest of the Corporation's shareholders, Directors are required to hold Shares or deferred share units ("DSUs") of the Corporation or DSUs of PFC (payable in Subordinate Voting Shares) with a value equivalent to $600,000 (prior to December 31, 2019: $450,000) within the later of five years of their becoming a Director of the Corporation and December 31, 2024. All Directors meet, or are on track to meet, the Corporation's equity ownership requirement.

Nominees for Election to the Board

Set forth below is certain information concerning each nominee for election to the Board, including certain biographical information, the voting results for the 2019 Annual Meeting of Shareholders ("2019 AGM"), the number of shares and DSUs of the Corporation and DSUs of PFC (payable in Subordinate Voting Shares) beneficially owned, or controlled or directed, directly or indirectly, by each of them, information concerning adherence to the Corporation's minimum equity ownership requirements for Directors, in the case of Mr. Orr the number of performance-based vesting deferred share units ("PDSUs") and performance share units ("PSUs") of PFC (payable in Subordinate Voting Shares); as well as shares and DSUs of the Corporation's other subsidiaries, beneficially owned, or controlled or directed, directly or indirectly, by each of them.

The information below also reflects the number of Board of Directors and Board of Directors Committee meetings held and the attendance, for the financial year ended December 31, 2019, by the Directors who are nominated for election at the Meeting. Shareholders should be aware that Directors make important contributions in respect of the Corporation outside meetings of the Board and its Committees which are not reflected in attendance figures.

The Board is committed to nominating the best individuals for election as Director and the Governance and Nominating Committee takes into account the previous commitments of each individual when proposing candidates to be nominated for election to the Board. The Corporation believes that the interests of the Corporation, a holding company, are well served by the experience of and expertise in the affairs of its large and diversified corporate group that are brought to the Corporation by those Directors who also serve on the boards of its subsidiaries. The presence of such Directors enriches the discussion and enhances the quality of governance at the Board and the boards of the Corporation's subsidiaries, and assists the Corporation in the proper stewardship of its holdings. See the "Statement of Corporate Governance Practices – Independence of Directors" section later in this Management Proxy Circular.

Footnotes to the biographical information appear at the end of this section.

Pierre Beaudoin, QUÉBEC, CANADA

Mr. Beaudoin is Chairman of the Board and a Director of Bombardier Inc. (a diversified transportation manufacturing company), of which he was Executive Chairman of the Board from 2015 to 2017 and President and Chief Executive Officer from June 2008 until February 2015. Prior thereto, he was President and Chief Operating Officer of Bombardier Aerospace from 2001 to 2008, and Executive Vice-President of Bombardier Inc. from 2004 to 2008. He was also President of Bombardier Business Aircraft and President and Chief Operating Officer of Bombardier Recreational Products. Since May 30, 2019, Mr. Beaudoin is a director of BRP Inc. and a member of its Human Resources and Compensation Committee and of its Nominating, Governance and Social Responsibility Committee.

AGE: 57 | DIRECTOR SINCE MAY 2005

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board	10/11
Related Party and Conduct Review Committee	3/3

2019 AGM VOTING RESULTS

Votes For: 99.48%

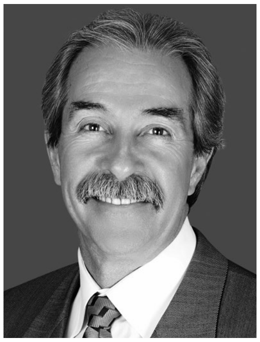
SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares[2]	DSUs[3]	Total
# as at March 18, 2020	44,498	77,919	122,417
# as at March 20, 2019	25,000	69,056	94,056
Change (#)	19,498	8,863	28,361
Total Market Value as at March 18, 2020[4]	$857,476	$1,501,499	$2,358,975
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			3.93
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	Nil

Marcel R. Coutu, ALBERTA, CANADA



Mr. Coutu is a Company Director. He is a Director of Brookfield Asset Management Inc. and Enbridge Inc. From 2001 to January 1, 2014, he was President and Chief Executive Officer of Canadian Oil Sands Limited (an oil and gas company) and Chairman of Syncrude Canada Ltd. (a Canadian oil sands project). He was previously Senior Vice-President and Chief Financial Officer of Gulf Canada Resources Limited and, prior to that, held various positions in the areas of corporate finance, investment banking, and mining and oil and gas exploration and development.

Mr. Coutu is a Director of many Power Group companies in North America, including Lifeco, Canada Life, Empower Retirement, Putnam Investments, LLC, IGM, IG Wealth Management and Mackenzie Inc.

Mr. Coutu serves as a Director of the Calgary Exhibition and Stampede Board. He has also held board positions with Gulf Indonesia Resources Limited, TransCanada Power Limited Partnership and the Board of Governors of the Canadian Association of Petroleum Producers. He was a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta until 2014.

AGE: 66 | DIRECTOR SINCE MAY 2011

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board	11/11
Audit Committee	4/5
Human Resources Committee	6/7

2019 AGM VOTING RESULTS

Votes For: 95.59%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares	DSUs[3]	Total
# as at March 18, 2020	–	54,727	54,727
# as at March 20, 2019	–	46,267	46,267
Change (#)	–	8,460	8,460
Total Market Value as at March 18, 2020[4]	–	$1,054,589	$1,054,589
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			1.76
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
10,000 Common Shares of Lifeco 900 Common Shares of IGM	66,508 DSUs of Lifeco 20,510 DSUs of IGM

André Desmarais, O.C., O.Q., QUÉBEC, CANADA

Mr. Desmarais is Deputy Chairman of the Corporation and of PFC, previously also having served as President and Co-Chief Executive Officer of the Corporation from 1996 until his retirement in February 2020. He was also Executive Co-Chairman of PFC until March 2020. Prior to joining the Corporation in 1983, he was Special Assistant to the Minister of Justice of Canada and an institutional investment counsellor at Richardson Greenshields Securities Ltd.

Mr. Desmarais is a Director of many Power Group companies in North America, including PFC, Lifeco, Canada Life, Empower Retirement, Putnam Investments, LLC, IGM, IG Wealth Management and Mackenzie Inc. He is also a Director and Vice-Chairman of Pargesa in Europe. He was a Director of Bellus Health Inc. until 2009 and of CITIC Pacific Limited in Asia until 2014.

Mr. Desmarais is Honorary Chairman of the Canada China Business Council and is a member of several China-based organizations. Mr. Desmarais is active in a number of cultural, health and other not-for-profit organizations. In 2003, he was named an Officer of the Order of Canada and, in 2009, he was named an Officer of the Ordre national du Québec. He has received Honorary Doctorates from Concordia University, Université de Montréal and McGill University. Mr. Desmarais is a trustee of the Desmarais Family Residuary Trust. [6]

AGE: 63 | DIRECTOR SINCE MAY 1988

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
Board	11/11
Governance and Nominating Committee	1/1

2019 AGM VOTING RESULTS

Votes For: 87.18%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares [2,7]	DSUs [3,8]	Total
# as at March 18, 2020	15,537,564	217,344	15,754,908
# as at March 20, 2019	15,120,548	96,536	15,217,084
Change (#)	417,016	120,808	537,824
Total Market Value as at March 18, 2020 [4]	$299,408,858	$4,188,218	$303,567,077
Minimum Equity Ownership Requirement [5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			506.00
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

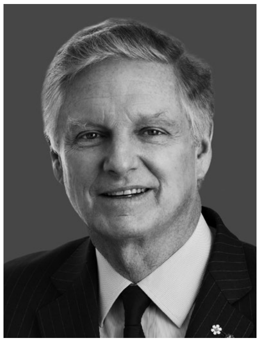
SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
350,000 Common Shares of Lifeco	194,135 DSUs of Lifeco 77,002 DSUs of IGM

Paul Desmarais, Jr., O.C., O.Q., QUÉBEC, CANADA

AGE: 65

DIRECTOR SINCE MAY 1988



Mr. Desmarais is Chairman of the Corporation and of PFC, previously having served as Co-Chief Executive Officer of the Corporation from 1996 until his retirement in February 2020. He served as Executive Co-Chairman of PFC until March 2020. He joined the Corporation in 1981 and assumed the position of Vice-President the following year. Mr. Desmarais served as Vice-President of PFC from 1984 to 1986, as President and Chief Operating Officer from 1986 to 1989, as Executive Vice-Chairman from 1989 to 1990, as Executive Chairman from 1990 to 2005, as Chairman of the Executive Committee from 2006 to 2008 and as Executive Co-Chairman from 2008 until February 2020. He also served as Vice-Chairman of the Corporation from 1991 to 1996.

From 1982 to 1990, he was a member of the Management Committee of Pargesa, in 1991, Executive Vice-Chairman and then Executive Chairman of the Committee; in 2003, he was appointed Co-Chief Executive Officer and in 2013 named Chairman of the Board. He has been a Director of Pargesa since 1992.

He is a Director of many Power Group companies in North America, including PFC, Lifeco, Canada Life, Empower Retirement, Putnam Investments, LLC, IGM, IG Wealth Management and Mackenzie Inc. In Europe, he is Chairman of the Board of Groupe Bruxelles Lambert since April 2019. He was Vice-Chairman of Groupe Bruxelles Lambert from January 2012 until April 2019. He is a Director of LafargeHolcim Ltd and SGS SA, and was Vice-Chairman of the Board and a Director of Imerys until 2008, a Director of GDF Suez until 2014 and of Total SA until 2017.

Mr. Desmarais is a member of The Business Council of Canada. He is also active on a number of philanthropic advisory councils.

In 2005, he was named an Officer of the Order of Canada, in 2009, an Officer of the Ordre national du Québec and, in 2012, Chevalier de la Légion d'honneur in France. He has received a number of Honorary Doctorates. Mr. Desmarais is a trustee of the Desmarais Family Residuary Trust.[6]

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board	11/11
Governance and Nominating Committee	1/1

2019 AGM VOTING RESULTS
Votes For: 86.57%

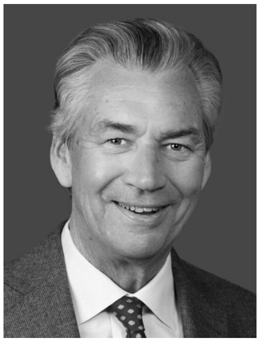
SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares[7]	DSUs[3,8]	Total
# as at March 18, 2020	15,103,553	155,040	15,258,593
# as at March 20, 2019	15,097,643	69,558	15,167,201
Change (#)	5,910	85,482	91,392
Total Market Value as at March 18, 2020[4]	$291,045,466	$2,987,621	$294,033,087
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			490.06
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
100,000 Common Shares of Lifeco	46,819 DSUs of Lifeco 38,955 DSUs of IGM

Gary A. Doer, O.M., MANITOBA, CANADA



Mr. Doer is a Senior Business Advisor to the law firm Dentons Canada LLP since August 2016. From October 2009 to January 2016, he served as Canada's Ambassador to the United States. He was previously the Premier of Manitoba from 1999 to 2009 and served in a number of roles in the Legislative Assembly of Manitoba from 1986 to 2009. In 2005, as Premier, Mr. Doer was named by Business Week magazine as one of the top 20 international leaders on climate change. In 2017, Mr. Doer joined the Trilateral Commission as a member of the North American Group.

Mr. Doer is a Director of several Power Group companies in North America, including PFC, Lifeco, Canada Life, Empower Retirement, Putnam Investments, LLC, IGM, IG Wealth Management and Mackenzie Inc. Mr. Doer is also a Director of Air Canada since May 2018. Mr. Doer was a Director of Barrick Gold Corporation from 2016 to 2018.

Mr. Doer is a volunteer Co-Chair of the Wilson Centre's Canada Institute, a non-partisan public policy forum focused on Canada-U.S. relations. In 2010, he became a Member of the Order of Manitoba and, in 2011, he received a distinguished diplomatic service award from the World Affairs Council.

AGE: 71	DIRECTOR SINCE MAY 2016

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board	11/11
Audit Committee	5/5

2019 AGM VOTING RESULTS

Votes For: 97.34%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

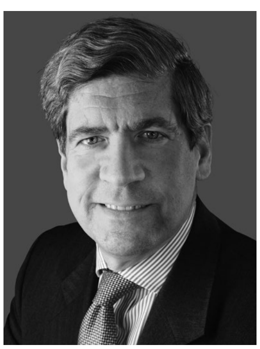
	Subordinate Voting Shares	DSUs[3,8]	Total
# as at March 18, 2020	–	27,245	27,245
# as at March 20, 2019	–	7,491	7,491
Change (#)	–	19,754	19,754
Total Market Value as at March 18, 2020[4]	–	$525,011	$525,011
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			0.88
Minimum Equity Ownership Requirement: Meets/On track to meet			✓*

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	10,750 DSUs of Lifeco 7,865 DSUs of IGM

* Mr. Doer has until December 31, 2024 to meet the Corporation's recently increased minimum equity ownership requirement for Directors.

Anthony R. Graham, LL.D., ONTARIO, CANADA



Mr. Graham is Chairman and Chief Executive Officer of Sumarria Inc., an investment management company, since 1984. He was Vice-Chairman of Wittington Investments, Limited, ("Wittington Investments"), the principal holding company of the Weston-Loblaw Group, from May 2014 to May 2019. From June 2000 to May 2014, he was President of Wittington Investments. Prior thereto, he held senior positions in Canada and the United Kingdom with National Bank Financial Inc. (formerly Lévesque Beaubien Geoffrion Inc.), a Montréal-based investment dealer.

Mr. Graham serves on the Boards of Bombardier Inc. since May 2019 and of Choice Properties Real Estate Investment Trust since April 2017. He also serves on the Board of Graymont Limited and Grupo Calidra, S.A de C.V. He formerly served on the Boards of PFC from May 2001 to February 2020, of George Weston Limited from November 1996 to May 2016, of Loblaw Companies Limited from February 1999 to July 2015, and of President's Choice Bank, of which he served as Chairman from 1999 until May 2015. Mr. Graham also serves as Chairman of the Ontario Arts Foundation, Duke of Edinburgh Award Canada (Charter for Business) and the Shaw Festival Theatre Endowment Foundation. He is a Director of the Art Gallery of Ontario, the Canadian Institute for Advanced Research and Luminato. In June 2007, he was awarded an Honorary Doctorate of Laws from Brock University.

AGE: 63	DIRECTOR SINCE MAY 2001

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board*	11/11
Human Resources Committee	7/7
Governance and Nominating Committee	1/1

2019 AGM VOTING RESULTS

Votes For: 92.75%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares[2]	DSUs[3,8]	Total
# as at March 18, 2020	51,250	173,682	224,932
# as at March 20, 2019	25,000	83,092	108,092
Change (#)	26,250	90,590	136,840
Total Market Value as at March 18, 2020[4]	$987,588	$3,346,852	$4,334,440
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			7.22
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	Nil

* Mr. Graham was also appointed Lead Director on March 23, 2018.

J. David A. Jackson, LL.B., ONTARIO, CANADA

AGE: 73

DIRECTOR SINCE MAY 2013

Mr. Jackson retired as a Partner of the law firm Blake, Cassels & Graydon LLP ("Blakes") in 2012, and currently serves as Senior Counsel to the firm, providing advice primarily in the areas of mergers and acquisitions and corporate governance. He was the Chairman of Blakes from 1995 to 2001. He was recognized throughout his career as a leading practitioner in the areas of mergers and acquisitions, corporate finance and corporate governance by numerous independent assessment organizations.

Mr. Jackson is also a Director of several Power Group companies in North America, including Lifeco and Canada Life. He served on the Boards of PFC from May 2013 to February 2020 and of IG Wealth Management from 1991 to 2001.

Mr. Jackson has also served as a Director of a number of public and private corporations. He was a Director and the Vice-Chairman of the Board of Sunnybrook Health Sciences Centre until June 2011. He holds a Bachelor of Commerce degree from the University of Windsor and a Bachelor of Laws (LL.B.) from Osgoode Hall Law School, and was called to the Bar of Ontario in 1974.

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
Board	11/11
Audit Committee	5/5

2019 AGM VOTING RESULTS

Votes For: 99.46%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares [2]	DSUs [3,8]	Total
# as at March 18, 2020	7,237	37,496	44,733
# as at March 20, 2019	2,512	16,084	18,596
Change (#)	4,725	21,412	26,137
Total Market Value as at March 18, 2020 [4]	$139,457	$722,548	$862,005
Minimum Equity Ownership Requirement [5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			1.44
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
5,514 Common Shares of IGM	14,316 DSUs of Lifeco

Paula B. Madoff, NEW YORK, UNITED STATES OF AMERICA

AGE: 52

DIRECTOR SINCE N/A

Ms. Madoff is a Company Director. She has served as an Advisory Director to Goldman Sachs, a global investment banking, securities and investment management firm, since August 2017. She has spent 24 years at Goldman Sachs, where she most recently was a Partner and Head of Sales and Distribution for Interest Rate Products and Mortgages from 2006 until her retirement in 2017. Ms. Madoff also held several additional leadership positions at Goldman Sachs including Co-Chair of the Retirement Committee overseeing 401k and pension plan assets, Chief Executive Officer of Goldman Sachs Mitsui Marine Derivatives Products, L.P., and was a member of its Securities Division Operating Committee and Firmwide New Activity Committee. She has 30 years of experience in investing, risk management and capital markets activities.

Ms. Madoff is a Director of several Power Group companies in North America, including Lifeco, Canada Life, Empower Retirement and Putnam Investments, LLC. She also serves as a director of KKR Real Estate Finance Trust Inc., Tradeweb Markets Inc. and ICE Benchmark Administration, where she is Chair of the ICE LIBOR Oversight Committee.

Ms. Madoff is a 2018 David Rockefeller Fellow, a member of the Harvard Business School Alumni Board and the Harvard Kennedy School Woman and Public Policy Women's Leadership Board, a director of Hudson River Park Friends and an advisory board member of the NYU Hospital Child Study Center. She received a Masters in Business Administration from Harvard Business School and a Bachelor of Arts degree in Economics from Lafayette College.

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
N/A*	N/A*

2019 AGM VOTING RESULTS

Votes For: N/A*

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares	DSUs	Total
# as at March 18, 2020	Nil	Nil	Nil
# as at March 20, 2019	Nil	Nil	Nil
Change (#)	Nil	Nil	Nil
Total Market Value as at March 18, 2020 [4]	Nil	Nil	Nil
Minimum Equity Ownership Requirement [5]			N/A*
Total Market Value/Minimum Equity Ownership Requirement			N/A*
Minimum Equity Ownership Requirement: Meets/On track to meet			N/A*

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	9,882 DSUs of Lifeco

* Ms. Madoff is being proposed for election as a Director of the Corporation for the first time.

Isabelle Marcoux, O.C., QUÉBEC, CANADA

AGE: 50

DIRECTOR SINCE MAY 2010

Ms. Marcoux is Chair of the Board of Transcontinental Inc. since 2012, a leader in flexible packaging in North America and Canada's largest printer and a leader in school textbook publishing. Previously, she was Vice-Chair of the Board from 2007 to 2012 and Vice-President, Corporate Development, from 2004 to 2012. Between 1998 and 2004, she held the successive roles of Director, Legal Affairs and Assistant Corporate Secretary and Director, Mergers and Acquisitions. Before joining Transcontinental Inc., she was a lawyer at McCarthy Tétrault LLP.

Ms. Marcoux is a member of the Board of Rogers Communications Inc. She was also a member of the Board of George Weston Limited for 12 years, until 2019. She is a member of the Board of the Montréal Children's Hospital Foundation since 2015, and a member of the Advisory Board of McGill University's Law Faculty since 2018. In 2019, she was appointed Member of the Order of Canada. In 2016, she was Co-Chair of Centraide of Greater Montréal's campaign and she is Chair of the Major Donors Campaign since 2018. She has also been involved in several fundraising campaigns, notably for the Montréal Museum of Fine Arts, the Montréal Heart Institute, the Tel-Jeunes Foundation, the Young Musicians of the World Foundation and the Foundation Montréal Inc. In 2016, Ms. Marcoux was awarded the Medal of the National Assembly of Québec and, in 2017, she became the first Canadian to win the Visionary Award for Strategic Leadership from the global organization Women Corporate Directors Foundation. Also in 2017, she was inducted into the Women's Executive Network (WXN) Hall of Fame, after being named one of Canada's 100 most powerful women by the organization in 2010, 2012 and 2016.

Ms. Marcoux holds a Bachelor's degree in Political Science and Economics, and a Bachelor's degree in Civil Law, both from McGill University. She has been a member of the Québec Bar since 1995.

BOARD/COMMITTEE MEMBERSHIP[1]	ATTENDANCE
Board	11/11
Human Resources Committee	6/7
Governance and Nominating Committee	1/1

2019 AGM VOTING RESULTS

Votes For: 96.34%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares	DSUs[3]	Total
# as at March 18, 2020	–	57,886	57,886
# as at March 20, 2019	–	49,542	49,542
Change (#)	–	8,344	8,344
Total Market Value as at March 18, 2020[4]	–	$1,115,463	$1,115,463
Minimum Equity Ownership Requirement[5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			1.86
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	Nil

Christian Noyer, PARIS, FRANCE

Mr. Noyer is a Company Director. Previously, he served as the Governor of the Banque de France (the central bank of France, which is linked to the European Central Bank) from November 2003 to October 2015. From 1998 to 2002, he was Vice-President of the European Central Bank in Frankfurt. After being appointed to the Treasury in the Ministry of the Economy and Finance of France in 1976, Mr. Noyer held a number of positions before serving as Director of the Treasury from 1993 to 1995, Chief of Staff of the Minister of Economic Affairs and Finance from 1995 to 1997, and Director at the Ministry for Economic Affairs, Finance and Industry from 1997 to 1998.

Mr. Noyer served as a member of the Governing Council and the General Council of the European Central Bank from 1998 to 2015, as a member of the board of the Bank for International Settlements from 2003 to 2015 and as its Chairman from 2010 to 2015. He was also alternate Governor at the International Monetary Fund from 1993 to 1995 and from 2003 to 2015 and a member of the Financial Stability Board from 2008 to 2015. At various times from 1982 to 1995, he also served as a member of the boards of many partially state-owned companies as a representative of the French government, including Suez S.A., Société Générale S.A., Le Crédit Lyonnais S.A., Le Groupe des Assurances Nationales, Dassault Aviation S.A., Pechiney S.A., Air France and Électricité de France S.A. Since January 2018, he acts as a director of the NSIA Group in Africa and serves on the Board of Directors of Setl, a company dedicated to creating blockchain-based solutions for financial markets, asset management and payments. Since November 2018, he is a Non-Executive Director of Lloyd's Council and independent Non-Executive Director of Lloyd's Brussels board. Since April 2019, the Board of Directors of BNP Paribas has appointed Mr. Noyer as censor.

Mr. Noyer is the Honorary Governor of the Banque de France and has been awarded the honours of Commandeur de la Légion d'Honneur and Commandeur des Arts et des Lettres in France, Commander of the National Order of the Lion in Senegal, Great Cross of the Ordén del Merito Civil in Spain, Officier de l'Ordre National de la Valeur in Cameroon and Gold and Silver Star of the Order of the Rising Sun in Japan.

AGE: 69	DIRECTOR SINCE MAY 2016

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
Board	10/11
Governance and Nominating Committee	1/1
Related Party and Conduct Review Committee	3/3

2019 AGM VOTING RESULTS
Votes For: 92.80%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares	DSUs [3]	Total
# as at March 18, 2020	–	18,950	18,950
# as at March 20, 2019	–	13,134	13,134
Change (#)	–	5,816	5,816
Total Market Value as at March 18, 2020 [4]	–	$365,167	$365,167
Minimum Equity Ownership Requirement [5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			0.61
Minimum Equity Ownership Requirement: Meets/On track to meet			✓*

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	Nil

* Mr. Noyer has until December 31, 2024 to meet the Corporation's recently increased minimum equity ownership requirement for Directors.

R. Jeffrey Orr, QUÉBEC, CANADA

Mr. Orr was appointed President and Chief Executive Officer of the Corporation in February 2020 and is President and Chief Executive Officer of PFC, a position he has held since May 2005. From May 2001 until May 2005, he was President and Chief Executive Officer of IGM. Prior to joining IGM, he was Chairman and Chief Executive Officer of BMO Nesbitt Burns Inc. and Vice-Chairman, Investment Banking Group of the Bank of Montreal. Mr. Orr had been with BMO Nesbitt Burns Inc. and predecessor companies since 1981.

Mr. Orr is a Director of PFC and is also a Director and Chairman of certain Power Group companies, including IGM, IG Wealth Management, Mackenzie Inc., Lifeco, Canada Life, Empower Retirement and Putnam Investments, LLC. He is also a Director of PanAgora Asset Management Inc.

Mr. Orr is active in a number of community and business organizations.

AGE: 61 | DIRECTOR SINCE MAY 2005

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
Board	11/11

2019 AGM VOTING RESULTS

Votes For: 95.99%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	# as at March 18, 2020	# as at March 20, 2019	Change (#)	Total Market Value as at March 18, 2020 [4]
Subordinate Voting Shares [2]	440,210	20,000	420,210	$8,482,847
DSUs [3,8]	147,530	66,665	80,865	$2,842,903
PSUs [9]	320,827	Nil	320,827	$6,182,336
PDSUs [9]	280,202	Nil	280,202	$5,399,493
Total	1,188,769	86,665	1,102,104	$22,907,579
Minimum Equity Ownership Requirement [5]				$600,000
Total Market Value/Minimum Equity Ownership Requirement				38.18
Minimum Equity Ownership Requirement: Meets/On track to meet				✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
20,000 Common Shares of Lifeco	198,134 DSUs of Lifeco
120,000 Common Shares of IGM	101,797 DSUs of IGM

T. Timothy Ryan, Jr., FLORIDA, UNITED STATES OF AMERICA

AGE: 74 | DIRECTOR SINCE MAY 2014*

Mr. Ryan is a Company Director. Until October 2014, he was Managing Director, Global Head of Regulatory Strategy and Policy of JPMorgan Chase & Co. ("J.P. Morgan"), a global financial services firm, a position he had held since February 2013. From 2008 to 2013, he was President and Chief Executive Officer of the Securities Industry and Financial Markets Association ("SIFMA"), a trade association representing 680 global financial market participants. Prior to joining SIFMA, he was Vice-Chairman, Financial Institutions and Governments, at J.P. Morgan, where he was a member of the firm's senior leadership. Prior to joining J.P. Morgan in 1993, Mr. Ryan was the Director of the Office of Thrift Supervision, U.S. Department of the Treasury.

Mr. Ryan is a Director of many Power Group companies in North America, including PFC, Lifeco, Empower Retirement, Canada Life and Putnam Investments, LLC, having previously served as a Director of the Corporation and of PFC from May 2011 to May 2013 and of Lifeco from May 2010 to May 2013.

Mr. Ryan is Chairman of the Board of Santander Holdings U.S.A., Inc., Santander Bank, N.A. and Banco Santander International. He has served as a director of Markit Group Limited from April 2013 to October 2014 and of Lloyds Banking Group from March 2009 to April 2013. He was a private sector member of the Global Markets Advisory Committee for the U.S. National Intelligence Council from 2007 to 2011.

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
Board	11/11
Audit Committee	5/5

2019 AGM VOTING RESULTS

Votes For: 99.65%

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares [2]	DSUs [3,8]	Total
# as at March 18, 2020	37,511	21,849	59,360
# as at March 20, 2019	18,572	4,392	22,964
Change (#)	18,939	17,457	36,396
Total Market Value as at March 18, 2020 [4]	$722,837	$421,030	$1,143,867
Minimum Equity Ownership Requirement [5]			$600,000
Total Market Value/Minimum Equity Ownership Requirement			1.91
Minimum Equity Ownership Requirement: Meets/On track to meet			✓

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
Nil	67,469 DSUs of Lifeco

* Mr. Ryan also previously served as a Director of the Corporation from May 13, 2011 to May 15, 2013, but did not stand for re-election at the 2013 Annual Meeting of Shareholders.

Siim A. Vanaselja, FCPA, FCA, ONTARIO, CANADA

AGE: 63 | DIRECTOR SINCE N/A

Mr. Vanaselja is a Company Director. He served as the Executive Vice-President and Chief Financial Officer of BCE Inc. and Bell Canada, from 2001 to 2015. Prior to joining BCE Inc., he was a Partner with KPMG Canada in Toronto.

Mr. Vanaselja is a Director of several Power Group companies in North America, including PFC, Lifeco and Canada Life. He is also a Director and Chair of the Board of TC Energy Corporation and a trustee of RioCan Real Estate Investment Trust. He previously served as a Director and Chair of the Audit Committee of Maple Leaf Sports & Entertainment Ltd. He also previously served on the Finance Minister's Federal Advisory Committee on Financing, on Moody's Council of Chief Financial Officers, on the Corporate Executive Board's Working Council for Chief Financial Officers and on the Conference Board of Canada's National Council of Financial Executives. Mr. Vanaselja is a Fellow of the Chartered Professional Accountants of Ontario and holds an Honours Bachelor of Business Administration degree from the Schulich School of Business.

BOARD/COMMITTEE MEMBERSHIP [1]	ATTENDANCE
N/A*	N/A*

2019 AGM VOTING RESULTS

Votes For: N/A*

SECURITIES AND SHARE UNITS OF THE CORPORATION HELD

	Subordinate Voting Shares	DSUs [3,8]	Total
# as at March 18, 2020	Nil	9,946	9,946
# as at March 20, 2019	Nil	Nil	Nil
Change (#)	Nil	9,946	9,946
Total Market Value as at March 18, 2020 [4]	Nil	$191,659	$191,659
Minimum Equity Ownership Requirement [5]			N/A*
Total Market Value/Minimum Equity Ownership Requirement			N/A*
Minimum Equity Ownership Requirement: Meets/On track to meet			N/A*

SECURITIES AND SHARE UNITS OF THE CORPORATION'S SUBSIDIARIES HELD

Shares (# as at March 18, 2020)	DSUs (# as at March 18, 2020)
25,000 Common Shares of Lifeco	40,344 DSUs of Lifeco

* Mr. Vanaselja is being proposed for election as a Director of the Corporation for the first time.

[1] Director is currently a member of each listed Committee.

[2] A portion of the Subordinate Voting Shares held by this Director are PFC Common Shares that were converted to Subordinate Voting Shares on February 13, 2020 in the context of the Reorganization.

[3] The members of the Board of Directors receive all or a portion of their annual retainer and attendance fees in the form of DSUs or in the form of Subordinate Voting Shares of the Corporation. See "Compensation of Directors – Deferred Share Unit Plan and Directors Share Purchase Plan".

[4] Calculated based on March 18, 2020 closing price on the TSX of $19.27 per Subordinate Voting Share of the Corporation. The value of a DSU of the Corporation and a DSU of PFC are each equal to the value of a Subordinate Voting Share.

[5] See "Election of Directors – Minimum Equity Ownership Requirement for Directors".

[6] Voting control of the Corporation is held by the Desmarais Family Residuary Trust. See "Voting Shares and Principal Holders Thereof". Through Pansolo, 48,363,392 Subordinate Voting Shares and 54,697,962 Participating Preferred Shares of the Corporation are controlled by the Desmarais Family Residuary Trust. The direct and indirect security holdings of Pansolo, controlled by the Desmarais Family Residuary Trust, constitute at least 10 per cent of the voting rights attached to all voting securities of the Corporation.

[7] Pursuant to an amended and restated unanimous shareholders agreement among, inter alia, Pansolo, Paul Desmarais, Jr. and André Desmarais and the securityholders of Pansolo: [a] Paul Desmarais, Jr. (or his designee) has the power to direct Pansolo to sell or pledge up to 15,000,000 Subordinate Voting Shares and so shares control and direction over 15,000,000 Subordinate Voting Shares with the Desmarais Family Residuary Trust; and [b] André Desmarais (or his designee) has the power to direct Pansolo to sell or pledge up to 14,000,000 Subordinate Voting Shares and so shares control and direction over 14,000,000 Subordinate Voting Shares with the Desmarais Family Residuary Trust. Other than as noted in the foregoing, the securities described as being held by Messrs. Paul Desmarais, Jr. and André Desmarais do not include any other securities controlled by the Desmarais Family Residuary Trust, of which they are trustees. See also Note [6].

[8] A portion of the DSUs held by this Director are DSUs of PFC, which were previously granted to the Director by PFC as compensation for service as a Director of PFC. Upon completion of the Reorganization, the terms of the DSUs of PFC were adjusted by the 1.05 exchange ratio applicable to the Reorganization and became payable in Subordinate Voting Shares. See "Compensation of Directors – Deferred Share Unit Plan and Directors Share Purchase Plan" below. As of March 18, 2020, Mr. André Desmarais held 110,594 DSUs of PFC, Mr. Paul Desmarais, Jr. held 78,037 DSUs of PFC, Mr. Gary A. Doer held 14,947 DSUs of PFC, Mr. Anthony R. Graham held 80,017 DSUs of PFC, Mr. J. David A. Jackson held 17,455 DSUs of PFC, Mr. R. Jeffrey Orr held 75,241 DSUs of PFC, Mr. T. Timothy Ryan, Jr. held 11,793 DSUs of PFC and Mr. Siim A. Vanaselja held 9,946 DSUs of PFC.

[9] The PSUs and PDSUs held by Mr. R. Jeffrey Orr are PSUs and PDSUs of PFC which were granted to him as compensation for his role as President and Chief Executive Officer of PFC and then, upon completion of the Reorganization, were adjusted by the 1.05 exchange ratio applicable to the Reorganization and became payable in Subordinate Voting Shares. See "Compensation of Directors – Deferred Share Unit Plan and Directors Share Purchase Plan" below. As of March 18, 2020, Mr. R Jeffrey Orr held 242,055 PSUs and 280,202 PDSUs of PFC.

COMPENSATION OF DIRECTORS

Process for Determination of Director Compensation

To assist in determining the appropriate compensation for members of the Board of Directors, the Human Resources Committee (formerly the Compensation Committee) reviews competitive practices from time to time with the assistance of outside compensation consultants (see "Compensation Discussion and Analysis – Compensation Consultant").

The Human Resources Committee reviews compensation data from a Canadian reference group which is the same group used for benchmarking the executive positions (see list of companies included in the Canadian reference group under "Compensation Discussion and Analysis – Benchmarking" below).

The Committee's compensation policy is:

> aimed at providing fair, reasonable and competitive total compensation required to attract and retain experienced and competent Directors; and

> designed to directly align the interests of Directors with the long-term interests of the Corporation's shareholders.

Although the Committee does not identify a specific percentile within the reference group for determining Director compensation, it tends to fix the compensation at a competitive level within the Canadian reference group considering the role and time commitment of the Directors.

In August 2019, the Human Resources Committee approved a new compensation structure for members of the Board of Directors based on a flat fee, and eliminating meeting attendance fees, in order to: (i) align the Corporation's practices with prevalent market practices among issuers in the Corporation's comparator group; and (ii) be consistent with the practices of the Corporation's public subsidiaries, Lifeco and IGM.

The Human Resources Committee also asked Willis Towers Watson, as compensation consultant, to conduct a competitive review of the level of the annual retainer for Directors.

In November 2019, following the review of Willis Towers Watson, which determined that the retainer was within the lower end of the comparator group, the annual retainer was increased, effective January 1, 2020, to $175,000 for members of the Board of Directors who also serve as members of the Board of Directors of the Corporation's subsidiaries, PFC and/or Lifeco (and are compensated by such subsidiaries for such service), and $200,000 for all other members of the Board of Directors. As a result of the changes to the annual retainer, the minimum equity ownership requirement for directors also increased to $600,000 (from $450,000) effective January 1, 2020. Directors have until the later of December 31, 2024 or five years after becoming a Director of the Corporation to meet that requirement.

Following the Reorganization, the Human Resources Committee determined that the $200,000 retainer that was previously only payable to Directors who did not serve on the Corporation's subsidiaries PFC and/or Lifeco, be extended to all Directors of the Board. This new retainer structure will be effective on April 1, 2020.

Retainers and Fees

For the applicable periods indicated, the retainers and fees payable to Directors were as follows:

Retainers and fees	From January 1, 2018 until January 1, 2020	From January 1, 2020 until March 31, 2020	Starting on April 1, 2020
Annual Retainer	$125,000	$175,000/$200,000 [1]	$200,000 [1]
Additional Retainer – Chairman of Audit Committee	$30,000	$30,000	$30,000
Additional Retainer – Chairman of Human Resources Committee	$20,000	$20,000	$20,000
Additional Retainer – Chairmen of Committees, except Audit and Human Resources	$15,000	$15,000	$15,000
Additional Retainer – Other Members of Audit Committee	$7,500	$7,500	$7,500
Additional Retainer – Other Members of Human Resources Committee	$6,000	$6,000	$6,000
Additional Retainer – Other Members of Committees, except Audit and Human Resources	$5,000	$5,000	$5,000
Additional Retainer – Lead Director	$35,000	$35,000	$35,000
Attendance Fee – Board and Committee Meetings	$2,000	–	–

[1] From January 1, 2020 to March 31, 2020, $175,000 for members of the Board of Directors who also serve as members of the Board of Directors of the Corporation's subsidiaries, PFC and/or Lifeco, and $200,000 for all other members of the Board of Directors. As of April 1, 2020, $200,000 for all members of the Board of Directors except for the Chairman and Deputy Chairman whose entire compensation for such roles will be a $350,000 annual retainer. The Chairman and Deputy Chairman will not receive any additional retainer as members of the Board and of the Governance and Nominating Committee.

Deferred Share Unit Plan and Directors Share Purchase Plan

For the financial year ended December 31, 2019, all Directors received a basic annual retainer of $125,000. Of this amount, $62,500 (which represented 50 per cent of the basic annual retainer) consisted of a dedicated annual board retainer which was received by Directors in DSUs under the Corporation's Deferred Share Unit Plan (the "DSU Plan"), described below, or in the form of Subordinate Voting Shares acquired in the market under the Corporation's Directors Share Purchase Plan (the "DSP Plan"), also described below. Participation in the DSU Plan or the DSP Plan is mandatory.

Pursuant to the DSU Plan, for Directors who participate in the DSU Plan, the 50 per cent dedicated portion of the annual board retainer is used to acquire DSUs. The number of DSUs granted is determined by dividing the amount of remuneration payable by the average closing price on the TSX of the Subordinate Voting Shares of the Corporation on the last five trading days of the fiscal quarter (the "value of a DSU"). A Director who receives DSUs receives additional DSUs in respect of dividends payable on Subordinate Voting Shares, based on the value of a DSU at that time. A DSU is payable at the time a Director's membership on the Board is terminated (provided the Director is not then a director, officer or employee of the Corporation or an affiliate of the Corporation), or in the event of the death of a Director, by a lump sum cash payment, based on the value of a DSU at that time. In order to promote greater alignment of interests between Directors and the shareholders of the Corporation, Directors are also able to elect to receive all or a portion of the balance of the annual board retainer and the board and committee attendance fees (as applicable), committee retainer, committee chairman retainer, and Lead Director retainer in the form of DSUs under the DSU Plan.

Pursuant to the DSP Plan, for Directors who participate in the DSP Plan, the 50 per cent dedicated portion of the annual board retainer is used to acquire Subordinate Voting Shares of the Corporation in the market. The Corporation also pays the administrative costs and brokerage expenses incurred in connection with participation in the DSP Plan, excluding fees and expenses associated with the sale of shares and taxes payable by a Director. In order to promote greater alignment of interests between Directors and the shareholders of the Corporation, Directors are also able to elect to receive the balance of the annual board retainer and board and committee attendance fees (as applicable), committee retainer, committee chairman retainer, and Lead Director retainer in the form of Subordinate Voting Shares acquired under the DSP Plan.

In the view of the Human Resources Committee and the Board, these plans further align the interests of Directors with those of the Corporation's shareholders.

In connection with the Reorganization of February 13, 2020, the authority to administer the PFC DSU Plan was subsequently delegated to the Human Resources Committee of the Corporation on the same terms and conditions except as amended to (i) adjust the number of DSUs by 1.05 (being the exchange ratio applicable to the Reorganization); and (ii) substitute PFC Common Shares with Subordinate Voting Shares of the Corporation as the underlying security, but subject to any adjustment required to that award by the relevant governing plan documentation or grant documentation as a result of the Reorganization.

Director Compensation Table

The following table shows the compensation paid to individuals (other than Named Executive Officers ("NEOs"), see "Executive Compensation – Summary Compensation Table") for services as a Director of the Corporation during the financial year ended December 31, 2019.

Compensation of Directors[1,2,3]

Director	Fees earned[4] [$]	Share-based awards[5,6] [$]	All other compensation [$]	Total compensation [$]
Pierre Beaudoin	93,500	62,500	–	156,000
Marcel R. Coutu	118,000	62,500	–	180,500
Gary A. Doer	101,000	62,500	–	163,500
Anthony R. Graham	159,500	62,500	–	222,000
J. David A. Jackson	123,500	62,500	–	186,000
Isabelle Marcoux	109,500	62,500	–	172,000
Christian Noyer	100,500	62,500	–	163,000
R. Jeffrey Orr[7]	83,500	62,500	–	146,000
T. Timothy Ryan, Jr.	101,000	62,500	–	163,500
Emőke J.E. Szathmáry[8]	122,000	62,500	–	184,500

[1] Table does not include any amounts paid as reimbursement for expenses or DSUs received in respect of dividend equivalents payable on DSUs.

[2] Compensation paid (including compensation paid as a Director of the Corporation and its subsidiaries) to the NEOs who served as Directors of the Corporation is disclosed in the Summary Compensation Table. See "Executive Compensation" below.

[3] Some Directors also receive compensation in their capacity as Directors of PFC and the publicly traded subsidiaries of the Corporation, and their subsidiaries, namely: Marcel R. Coutu is also a Director of Lifeco, IGM and certain of their subsidiaries; Gary A. Doer is also a Director of PFC, Lifeco, IGM and certain of their subsidiaries; Anthony R. Graham was also a Director of PFC until February 28, 2020; J. David A. Jackson is also a Director of Lifeco and certain of its subsidiaries and was a Director of PFC until February 28, 2020; R. Jeffrey Orr is also a Director of PFC, Lifeco, IGM and certain of their subsidiaries; T. Timothy Ryan, Jr. is also a Director of PFC, Lifeco and certain of its subsidiaries; and Emőke J.E. Szathmáry was also a Director of PFC until February 28, 2020. See PFC's Statement of Executive Compensation, Lifeco's Management Proxy Circular dated March 9, 2020 and IGM's Management Proxy Circular dated February 21, 2020, as applicable, each of which is available under the applicable issuer's SEDAR profile at www.sedar.com. Compensation received by Directors in their capacity as Directors of publicly traded subsidiaries of the Corporation is determined solely by the Board or Compensation Committee of such subsidiaries and not by the Board or Human Resources Committee of the Corporation.

[4] Of the fees disclosed, each of the following Directors elected to receive the following amounts in the form of additional DSUs under the Corporation's DSU Plan: Pierre Beaudoin: $93,500; Marcel R. Coutu: $118,000; Gary A. Doer: $70,000; Anthony R. Graham: $122,500; J. David A. Jackson: $31,000; Isabelle Marcoux: $109,500; Christian Noyer: $90,500; and T. Timothy Ryan, Jr.: $101,000. These amounts are in addition to the amounts shown in the "Share-Based Awards" column above. See also Note [6] below.

[5] Represents the dedicated portion of the annual board retainer that, under the Corporation's DSU Plan and DSP Plan, is required to be paid to Directors in DSUs or Subordinate Voting Shares.

[6] DSU awards are granted on the first day of each fiscal quarter and the grant date fair value of a DSU award is equal to the average closing price on the TSX of the Subordinate Voting Shares of the Corporation on the last five trading days of the preceding fiscal quarter. The grant date fair value of a DSP award is equal to the aggregate price of the Subordinate Voting Shares so acquired in the market.

[7] Mr. R. Jeffrey Orr is the President and Chief Executive Officer of PFC and his compensation as such (including compensation paid as a Director of PFC and its subsidiaries) for the financial year ended December 31, 2019 is disclosed in PFC's Statement of Executive Compensation. Mr. Orr was appointed as President and Chief Executive Officer of the Corporation on February 13, 2020.

[8] Dr. Emőke J.E. Szathmáry will not be standing for re-election at the Meeting. During the financial year ended December 31, 2019, she attended eleven meetings of the Board of Directors (out of eleven), five meetings of the Audit Committee (out of five) and three meetings of the Related Party and Conduct Review Committee (out of three).

Director Outstanding Options, PDSUs and PSUs

Other than the NEOs (see "Executive Compensation – Incentive Plan Awards") or as stated below, no Director of the Corporation held options to acquire securities, PDSUs or PSUs of the Corporation or any of its subsidiaries as at December 31, 2019.

Mr. R. Jeffrey Orr holds options of the Corporation, initially granted to him as an officer of PFC, which were assumed by the Corporation on February 13, 2020 in connection with the Reorganization (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)") and are disclosed in PFC's Statement of Executive Compensation. Mr. Orr also holds DSUs, PDSUs and PSUs, initially granted to him as an officer or Director of PFC which, following the completion of the Reorganization, are now payable in PCC Subordinate Voting Shares (see "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives").

Director Compensation Equity Holdings at December 31, 2019

The following table shows equity holdings as at December 31, 2019 for each Director (other than NEOs) in respect of DSUs and Subordinate Voting Shares received as compensation under the Corporation's DSU Plan or DSP Plan in 2019 and prior years.

Director	Number of DSP Plan shares as at December 31, 2019[1] [#]	Number of DSUs held under the DSU Plan as at December 31, 2019[2] [#]	Total value of DSP Plan shares and DSUs[3] as at December 31, 2019[4] [$]
Pierre Beaudoin	Nil	77,919	2,606,391
Marcel R. Coutu	Nil	54,727	1,830,618
Gary A. Doer[5]	Nil	12,298	411,368
Anthony R. Graham[5]	Nil	93,665	3,133,094
J. David A. Jackson[5]	Nil	20,041	670,371
Isabelle Marcoux	Nil	57,886	1,936,287
Christian Noyer	Nil	18,950	633,878
R. Jeffrey Orr[5]	Nil	72,289	2,418,067
T. Timothy Ryan, Jr.[5]	19,308	10,056	982,226
Emőke J.E. Szathmáry[5,6]	Nil	54,602	1,826,437

[1] Amount includes shares representing the dedicated portion of the annual board retainer, as well as fees Directors elected to receive in Subordinate Voting Shares of the Corporation under the Corporation's DSP Plan.

[2] Amount includes DSUs representing the dedicated portion of the annual board retainer, as well as fees Directors elected to receive in DSUs under the Corporation's DSU Plan. Amount also includes DSUs received in respect of dividend equivalents payable on DSUs.

[3] DSUs are payable at the time a Director's membership on the Board is terminated (provided the Director is not then a director, officer or employee of the Corporation or an affiliate of the Corporation) or in the event of the death of a Director, by a lump sum cash payment, based on the value of the DSUs at that time.

[4] Calculated based on December 31, 2019 closing price of $33.45 per Subordinate Voting Share of the Corporation on the TSX.

[5] This Director also held DSUs of PFC, which were previously granted to the Director by PFC as compensation for service as a Director of PFC. Upon completion of the Reorganization, the terms of the DSUs of PFC were adjusted by the 1.05 exchange ratio applicable to the Reorganization and became payable in Subordinate Voting Shares. See "Compensation of Directors – Deferred Share Unit Plan and Directors Share Purchase Plan". As of March 18, 2020, Mr. André Desmarais held 110,594 DSUs of PFC, Mr. Paul Desmarais, Jr. held 78,037 DSUs of PFC, Mr. Gary A. Doer held 14,947 DSUs of PFC, Mr. Anthony R. Graham held 80,017 DSUs of PFC, Mr. J. David A. Jackson held 17,455 DSUs of PFC, Mr. R. Jeffrey Orr held 75,241 DSUs of PFC, Mr. T. Timothy Ryan, Jr. held 11,793 DSUs of PFC and Dr. Emőke J.E. Szathmáry held 50,465 DSUs of PFC.

[6] This Director will not be standing for re-election at the Meeting.

The foregoing table does not disclose all of the equity holdings in the Corporation of members of the Board of the Corporation. Please refer to the table under "Election of Directors" earlier in this Management Proxy Circular for this information with respect to Directors nominated for election at the Meeting.

Directors of the Corporation are subject to the Corporation's Policy Concerning Insider Trading, which prohibits each Director of the Corporation and of its wholly owned subsidiaries (including PFC) from, among other things, purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities (or equivalents such as DSUs, the value of which is derived from equity securities) granted by the Corporation or any of its wholly owned subsidiaries as compensation. Directors also may not, directly or indirectly, with respect to any security of the Corporation or a publicly traded subsidiary (as defined in the policy) of the Corporation: [i] make a "short sale" of the security; [ii] sell a "call" or buy a "put", in respect of the security; or [iii] purchase the security for the purpose of selling it at a profit within a short period of time (which the policy provides would generally, depending on the circumstances, mean the purchaser intends to hold such securities for a minimum of two years).

Under the terms of DSUs held by Directors in the Corporation and its publicly traded subsidiaries (including PFC), the Directors may not receive or obtain any amount for the purpose of reducing the impact, in whole or in part, of any reduction in the fair market value of the Shares of the Corporation relating to such DSUs or, in the case of DSUs of the subsidiaries, those of a related corporation (such as the Corporation).

EXECUTIVE COMPENSATION

Summary Compensation Table

The Summary Compensation Table and Notes below* describe the total compensation paid, awarded or earned by each of the Named Executive Officers (collectively, the "NEOs") for services rendered in all capacities to the Corporation and its subsidiaries, including PFC in the case of certain NEOs, during the financial years indicated. Except to the extent noted in Note [15], the amounts shown below under "Power Financial Corporation" for "Salary", "Annual Incentive Plans" and "Pension Value" represent inter-company reimbursements from PFC to the Corporation and do not represent amounts paid directly by PFC to the applicable NEOs. Although the Corporation paid or credited these amounts to the applicable NEOs, they are not included in "Salary", "Annual Incentive Plans" and "Pension Value" under "Power Corporation of Canada" in the chart below as they have been accounted for in the columns below under "Power Financial Corporation". The NEOs indicated in the table below are the NEOs of the Corporation as of December 31, 2019. As of February 13, 2020, following the Reorganization, Messrs. Paul Desmarais, Jr. and André Desmarais retired as Co-Chief Executive Officers of the Corporation; they continue to serve as Chairman and Deputy Chairman, respectively, of the Corporation's Board of Directors. As of February 13, 2020, Mr. R. Jeffrey Orr was appointed President and Chief Executive Officer of the Corporation.

Summary Compensation Table

		POWER FINANCIAL CORPORATION [1]						
Name and principal position held as at December 31, 2019	Year	Salary [$]	Share-based awards [2] [$]	Option-based awards [3] [$]	Annual incentive plans [$]	Pension value [4] [$]	All other compensation [5] [$]	Total compensation for PFC [$]
Paul Desmarais, Jr. [9] Chairman and Co-Chief Executive Officer	2019	625,000	281,250	2,271,847 [10]	1,000,000 [11]	31,410	466,035	4,675,542
	2018	612,500	215,625	2,225,631	750,000	-425,200	369,749	3,748,305
	2017	600,000	137,500	1,785,493	750,000	-145,060	304,000	3,431,933
André Desmarais [9] Deputy Chairman, President and Co-Chief Executive Officer	2019	625,000	281,250	2,271,847 [10]	1,000,000 [11]	-120,140 [12]	466,034	4,523,991
	2018	612,500	215,013	2,225,631	750,000	-143,920	364,138	4,023,362
	2017	207,693 [13]	53,598 [13]	1,785,493	250,000 [13]	-158,110	93,290 [13]	2,231,964 [13]
Gregory D. Tretiak [9] Executive Vice-President and Chief Financial Officer	2019	315,250	218,750	472,873 [10]	1,000,000 [11]	888,000 [14]	415,742	3,310,615
	2018	307,500	537,504	230,622	600,000	533,500	373,850	2,582,976
	2017	300,000	462,510	225,001	600,000	681,000	369,500	2,638,011
Claude Généreux [15] Executive Vice-President	2019	591,000	957,499 [10]	443,249 [10]	1,593,750 [11]	993,050 [16]	400,604	4,979,152
	2018	576,750	874,054	298,309	1,387,500	849,180	356,660	4,342,453
	2017	562,500	790,640	281,253	1,200,000	752,630	357,250	3,944,273

* Footnotes to this table appear on pages 24 to 25.

POWER CORPORATION OF CANADA [1]							
Salary [$]	Share-based awards [6] [$]	Option-based awards [7] [$]	Annual incentive plans [$]	Pension value [$]	All other compensation [8] [$]	Total compensation for PCC [$]	Total compensation [$]
625,000	62,500	2,271,847	1,000,000 [11]	22,590	117,500	4,099,437	8,774,979
612,500	62,500	2,225,629	750,000	-306,800	137,500	3,481,329	7,229,635
600,000	50,000	1,785,494	750,000	-103,940	134,000	3,215,554	6,647,487
625,000	62,500	2,271,847	1,000,000 [11]	-166,860 [12]	107,500	3,899,987	8,423,978
612,500	62,500	2,225,629	750,000	-192,080	278,500	3,737,049	7,760,412
207,693 [13]	25,000 [13]	1,785,494	250,000 [13]	-210,890	154,692	2,211,989 [13]	4,443,953 [13]
315,250	197,027	378,302	1,000,000 [11]	888,000 [14]	9,458	2,788,037	6,098,652
307,500	384,361	246,000	600,000	533,500	9,225	2,080,586	4,663,563
300,000	374,993	270,001	600,000	681,000	9,000	2,234,994	4,873,005
197,000	246,244	157,601	531,250 [11]	325,950 [16]	3,940	1,461,985	6,441,137
192,250	240,325	296,999	462,500	282,820	3,845	1,478,739	5,821,193
187,500	234,363	337,500	400,000	252,370	3,750	1,415,483	5,359,756

[1] Amounts shown under "Power Financial Corporation" represent amounts paid, awarded or earned by NEOs in respect of services for PFC and its subsidiaries, while amounts shown under "Power Corporation of Canada" represent amounts paid, awarded or earned by NEOs from the Corporation and its subsidiaries other than in respect of services for PFC and its subsidiaries. No amounts paid, awarded or earned by NEOs in respect of services for PFC and its subsidiaries have been included in the columns under "Power Corporation of Canada" as they have been accounted for in the appropriate columns under "Power Financial Corporation".

[2] Share-based awards in 2019 include PDSUs granted by PFC to Mr. Généreux having a grant date fair value of $738,749, and otherwise represent the portion of the annual board retainer that, under the DSU Plan and DSP Plan of PFC, and similar plans of PFC's subsidiaries, is required to be paid to NEOs in DSUs or shares in their capacity as Directors of PFC or its subsidiaries. The value of these awards is determined based on the grant date fair value. See PFC's Statement of Executive Compensation. Following the completion of the Reorganization, administration of the DSU Plan and PDSUs of PFC was delegated to the Corporation and the PDSUs and DSUs became payable in Subordinate Voting Shares (see "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives" below).

[3] The grant date fair value for options awarded by PFC in 2019 was calculated as disclosed in PFC's Statement of Executive Compensation. The Power Financial Employee Stock Option Plan was assumed by the Corporation on February 13, 2020 (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)").

[4] Represents the portion of the compensatory value of the annual pension benefits under the Corporation's basic pension plan, Supplementary Executive Retirement Plan ("SERP"), Mr. Tretiak's pension benefit arrangement and Mr. Généreux's pension benefit arrangement, as applicable, attributable to PFC in 2019, as disclosed in PFC's Statement of Executive Compensation.

[5] A substantial portion of this compensation represents board fees paid in cash or, at the election of the NEO, DSUs or DSP Plan shares for services as a Director of PFC and its subsidiaries, as disclosed in PFC's Statement of Executive Compensation. These amounts do not include the portion of the annual board retainer required to be paid in shares or DSUs which are disclosed in the "Share-Based Awards" column under "Power Financial Corporation" in the table above. Compensation received by NEOs in their capacity as Directors of publicly traded subsidiaries of the Corporation (including PFC) is determined solely by the Board or the Compensation Committee of such subsidiaries and not by the Board or Human Resources Committee of the Corporation. See Lifeco's Management Proxy Circular dated March 9, 2020 and IGM's Management Proxy Circular dated February 21, 2020, as applicable, each of which is available under the applicable issuer's SEDAR profile at www.sedar.com.

[6] Share-based awards in 2019 include PDSUs granted by the Corporation to Messrs. Tretiak and Généreux having grant date fair values of $197,027 and $246,244 respectively. Other than Messrs. Tretiak and Généreux, no other NEOs received PDSU or PSU grants from the Corporation in 2019. The grant date fair value of a PDSU and PSU is equal to the average of the high and low prices on the TSX of the Subordinate Voting Shares on the preceding trading day. The PSUs and PDSUs are subject to performance vesting conditions over a three-year period pursuant to which PSUs and PDSUs may vest within a range of 0 per cent to 150 per cent. The aggregate grant date fair value for the PSUs and PDSUs reflects the amount of the grant intended for compensation purposes based on an assumption of 100 per cent vesting. This amount is the same as the accounting fair value. See "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives" below. This amount also includes the portion of the annual board retainer that, under the DSU Plan and DSP Plan of the Corporation, is required to be paid to certain NEOs in DSUs or Shares in their capacity as Directors of the Corporation. See "Compensation of Directors – Deferred Share Unit Plan and Directors Share Purchase Plan" above. These amounts were $62,500 for Mr. Paul Desmarais, Jr. and $62,500 for Mr. André Desmarais. DSU awards are granted by the Corporation to its Directors, as applicable, on the first day of each fiscal quarter and the grant date fair value of a DSU award is equal to the average closing price on the TSX of the Subordinate Voting Shares of the Corporation on the last five trading days of the preceding fiscal quarter. The grant date fair value of a DSP award is equal to the aggregate price of the Subordinate Voting Shares of the Corporation so acquired in the market.

[7] The grant date fair value for options awarded by the Corporation to Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux in 2019 was calculated using a standardized methodology that reflects a fair and reasonable estimation of the options' compensation value that the Committee intended to provide to the NEOs. The use of an adjusted factor methodology is also employed by several companies in the reference group for competitive total compensation comparison purposes for similar positions. The fair value of such option grants was calculated using a normalized Black-Scholes factor based on forward-looking assumptions considered reasonable for the Corporation given the current economic context and the future economic outlook as of the applicable grant date. The normalized Black-Scholes factor used to calculate the option grant value for Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux was 16.00 per cent of the exercise price based on the following assumptions: a 10-year average volatility of 20.00 per cent, a dividend yield of 3.50 per cent, a risk-free interest rate of 3.00 per cent and an expected life of 10 years. For accounting purposes, the fair value of the options granted on April 17, 2019 to Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux was estimated with the Black-Scholes model using assumptions that are different than those used for compensation purposes: an 8.6-year average volatility of 15.63 per cent at the date of grant, a 3-year dividend yield of 4.87 per cent, and a risk-free interest rate of 1.76 per cent, being equal to the implied yield of Government of Canada bonds with a term equal to the expected life of the options on date of grant. The compensation value of the options granted to each of Messrs. Paul Desmarais, Jr. and André Desmarais was $2,271,847, being $1,437,790 greater than the Corporation's accounting value of $834,057. The compensation value of the options granted to Mr. Tretiak was $378,302, being $239,417 greater than the Corporation's accounting value of $138,885. The compensation value of the options granted to Mr. Généreux was $157,601, being $99,741 greater than the Corporation's accounting value of $57,860.

[8] A substantial portion of this compensation represents board fees paid in cash or DSUs for services as a Director of the Corporation and its subsidiaries other than PFC and its subsidiaries. Amounts for 2019 include the following board fees: Mr. Paul Desmarais, Jr.: $102,500 and Mr. André Desmarais: $92,500. This compensation also includes the amounts contributed by the Corporation to proportionately supplement contributions by employees to acquire Shares under the Corporation's Employee Share Purchase Program, which is offered to all employees of the Corporation. These amounts do not include the portion of the annual board retainer required to be paid in Shares or DSUs which are disclosed in the "Share-Based Awards" column under "Power Corporation of Canada" in the table above. The dedicated annual board retainer is more fully described above in this Management Proxy Circular. Compensation received by NEOs in their capacity as Directors of publicly traded subsidiaries of the Corporation (including PFC) is determined solely by the Board or the Compensation Committee of such subsidiaries and not by the Board or Human Resources Committee of the Corporation.

[9] This NEO serves both as an executive officer of the Corporation and of PFC, a subsidiary of the Corporation. A portion of the amounts under "Salary", "Annual Incentive Plans" and "Pension Value" paid or credited to this NEO by the Corporation is reimbursed by PFC to the Corporation as disclosed in the table above under "Power Financial Corporation" and, for Messrs. Paul Desmarais, Jr., André Desmarais and Tretiak, in PFC's Statement of Executive Compensation. The amount of the reimbursement is an inter-company payment from PFC to the Corporation and does not represent a payment by PFC directly to the NEO. Although the Corporation paid or credited these amounts to the applicable NEO, they are not included in "Salary", "Annual Incentive Plans" and "Pension Value" under "Power Corporation of Canada" in the table above as they have been accounted for in the appropriate columns under "Power Financial Corporation".

[10] The grant date fair value for options awarded by PFC to Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux in 2019 was calculated using a standardized methodology that reflects a fair and reasonable estimation of the options' compensation value that the Compensation Committee of PFC intended to provide to each of the NEOs. The use of an adjusted factor methodology is also employed by several companies in PFC's reference group for competitive total compensation comparison purposes for similar positions. The fair value of such option grants was calculated using a normalized Black-Scholes factor based on forward-looking assumptions considered reasonable for PFC given the current economic context and the future economic outlook as of the applicable grant dates. The normalized Black-Scholes factor used to calculate the option grant value for each of the NEOs was 15 per cent of the exercise price based on the following assumptions: a 10-year average volatility of 19.00 per cent, a dividend yield of 3.70 per cent, a risk free interest rate of 3.00 per cent and an expected life of 10 years. For accounting purposes, the fair value of the options granted on April 17, 2019 to each of Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux was estimated with the Black-Scholes model using assumptions that are different than those used for compensation purposes: a 9.4-year average volatility of 15.26 per cent at the date of grant, a 3-year dividend yield of 5.28 per cent, and a risk free interest rate of 1.78 per cent, being equal to the implied yield of Government of Canada bonds with a term equal to the expected life of the options on date of grant. The compensation value of the options granted to each of Messrs. Paul Desmarais, Jr. and André Desmarais was $2,271,847, being $1,558,020 greater than the accounting value of $713,827. The compensation value of the options granted to Mr. Tretiak was $472,873, being $324,294 greater than the accounting value of $148,579. The compensation value of the options granted to Mr. Généreux was $443,249, being $303,978 greater than the accounting value of $139,271. On February 13, 2020, in connection with the Reorganization, the Corporation assumed PFC's Employee Stock Option Plan (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)", and, the administration of PFC's DSU Plan was delegated to PCC.

[11] See "Components of Executive Compensation – Incentive Compensation" below.

[12] Mr. André Desmarais has attained the maximum pension accrual. As his 2020 salary rate is lower than initially projected for pension benefit purposes, his compensatory change for the 2019 accrued benefit obligation results in a negative amount.

[13] As announced by the Corporation on April 28, 2017, Mr. André Desmarais took a temporary medical leave from his day-to-day activities at the Corporation and PFC, which leave continued throughout the remainder of 2017. During this absence, Mr. André Desmarais continued to monitor and be involved in any major issues affecting the Corporation and the Power Group. Mr. André Desmarais returned to the day-to-day activities at the Corporation and PFC on January 3, 2018. Mr. André Desmarais forewent all remuneration from the Power Group during the period of his absence, as described in the April 28, 2017 press release of the Corporation.

[14] Mr. Tretiak participates in the Corporation's basic pension plan and has a pension benefit arrangement with the Corporation. See "Executive Compensation – Retirement Plan Benefits".

[15] Mr. Généreux served both as an executive officer of the Corporation and of PFC, a subsidiary of the Corporation as at December 31, 2019. A portion of the amounts under "Salary", "Annual Incentive Plans" and "Pension Value" paid or credited to this NEO by PFC, was reimbursed by the Corporation to PFC as disclosed in the table above under "Power Corporation of Canada". The amount of the reimbursement is an inter-company payment from the Corporation to PFC and does not represent a payment by the Corporation directly to the NEO. Although PFC paid or credited these amounts to the NEO, they are not included in "Salary", "Annual Incentive Plans" and "Pension Value" under "Power Financial Corporation" in the table above as they have been accounted for in the appropriate columns under "Power Corporation of Canada". Other than options, DSUs, PDSUs and/or PSUs, if any, awarded to Mr. Généreux by the Corporation, his compensation was determined by PFC.

[16] Mr. Généreux participates in the Corporation's basic pension plan and has a pension benefit arrangement with the Corporation. See "Executive Compensation – Retirement Plan Benefits" below.

Incentive Plan Awards

The table below shows information for each NEO, for all unexercised options, DSP Plan shares and DSUs of the Corporation and, except to the extent indicated in Note [10], its subsidiaries held by NEOs (as well as PDSUs of the Corporation and of PFC in the case of Messrs. Tretiak and Généreux) as at December 31, 2019. The NEOs indicated in the table below are the NEOs of the Corporation as of December 31, 2019. As of February 13, 2020, following the Reorganization, Mr. R. Jeffrey Orr was appointed President and Chief Executive Officer of the Corporation. The Power Financial Employee Stock Option Plan was assumed by the Corporation on February 13, 2020 (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)"). Also, following completion of the Reorganization, administration of the DSUs, PDSUs and PSUs of PFC was delegated to the Corporation (see "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives").

OPTION AWARDS

Name		Number of securities underlying unexercised options [#] Vested	Unvested	Option exercise price [$]	Option expiration date
Paul Desmarais, Jr.[7]	**PCC**		446,020[8]	31.835	April 16, 2029
			487,991	28.505	March 27, 2028
			315,152	31.475	March 28, 2027
		169,743	169,743	29.725	March 28, 2026
		350,000		33.815	March 22, 2025
		450,000		29.905	May 20, 2024
		1,020,000		28.24	May 20, 2023
		975,000		27.245	March 18, 2022
		450,000		27.60	March 14, 2021
		450,000		30.065	May 21, 2020
	PFC[9]		463,524[10]	32.675	April 16, 2029
			466,883	31.78	March 27, 2028
			336,679	35.355	March 28, 2027
		187,955	187,955	32.32	March 28, 2026
		308,611		38.35	March 22, 2025
		395,685		34.01	May 20, 2024
André Desmarais[7]	**PCC**		446,020[8]	31.835	April 16, 2029
			487,991	28.505	March 27, 2028
			315,152	31.475	March 28, 2027
		169,743	169,743	29.725	March 28, 2026
		350,000		33.815	March 22, 2025
		450,000		29.905	May 20, 2024
		1,020,000		28.24	May 20, 2023
		975,000		27.245	March 18, 2022
		450,000		27.60	March 14, 2021
		450,000		30.065	May 21, 2020
	PFC[9]		463,524[10]	32.675	April 16, 2029
			466,883	31.78	March 27, 2028
			336,679	35.355	March 28, 2027
		187,955	187,955	32.32	March 28, 2026
		308,611		38.35	March 22, 2025
		395,685		34.01	May 20, 2024

* Footnotes to this table appear on page 30.

Value of unexercised in-the-money options[1] [$]		SHARE-BASED AWARDS		
Vested	Unvested[6]	Number of shares or units of shares that have not vested[2] [#]	Market or payout value of share-based awards that have not vested[3] [$]	Market or payout value of vested share-based awards not paid out or distributed[4,5] [$]
	720,322	Nil	Nil	8,127,908
	2,413,115			
	622,425			
632,293	632,293			
Nil				
1,595,250				
5,314,200				
6,049,875				
2,632,500				
1,523,250				
17,747,368	4,388,155			
Total: 22,135,523				
	1,049,882	Nil	Nil	5,552,158
	1,475,850			
	Nil			
492,442	492,442			
Nil				
367,987				
860,429	3,018,174			
Total: 3,878,603				
Nil	720,322	Nil	Nil	16,490,303
Nil	2,413,115			
Nil	622,425			
632,293	632,293			
Nil				
1,595,250				
5,314,200				
6,049,875				
2,632,500				
1,523,250				
17,747,368	4,388,155			
Total: 22,135,523				
	1,049,882	Nil	Nil	12,919,515
	1,475,350			
	Nil			
492,442	492,442			
Nil				
367,987				
860,429	3,017,674			
Total: 3,878,103				

OPTION AWARDS

Name		Number of securities underlying unexercised options [#] Vested	Unvested	Option exercise price [$]	Option expiration date
Gregory D. Tretiak[11]	**PCC**		74,270[8]	31.835	April 16, 2029
			53,938	28.505	March 27, 2028
			47,657	31.475	March 28, 2027
		23,584	23,584	29.31	February 28, 2026
		39,849		33.815	March 22, 2025
		43,973		29.905	May 20, 2024
		34,061		28.24	May 20, 2023
		52,690		23.725	May 22, 2022
	PFC[9]		96,480[10]	32.675	April 16, 2029
			48,379	31.78	March 27, 2028
			42,427	35.355	March 28, 2027
		21,927	21,927	31.525	February 28, 2026
		35,137		38.35	March 22, 2025
		38,665		34.01	May 20, 2024
		41,857		30.64	May 20, 2023
		47,880		26.11	May 22, 2022
Claude Généreux	**PCC**		30,941[8]	31.835	April 16, 2029
			65,120	28.505	March 27, 2028
			59,571	31.475	March 28, 2027
		11,814	11,813	29.31	February 28, 2026
		5,988		33.815	March 22, 2025
		29,714[13]	7,428[13]	33.655	March 1, 2025
	PFC[9]		90,436[10]	32.675	April 16, 2029
			62,578	31.78	March 27, 2028
			53,034	35.355	March 28, 2027
		10,984	10,983	31.525	February 28, 2026
		47,523		38.35	March 22, 2025
		242,490	60,622	37.115	March 1, 2025

* Footnotes to this table appear on page 30.

Value of unexercised in-the-money options[1] [$] Vested	Value of unexercised in-the-money options[1] [$] Unvested[6]	SHARE-BASED AWARDS Number of shares or units of shares that have not vested[2] [#]	Market or payout value of share-based awards that have not vested[3] [$]	Market or payout value of vested share-based awards not paid out or distributed[4,5] [$]
	119,946	34,964	1,168,847	2,878,050
	266,723			
	94,123			
97,638	97,638			
Nil				
155,884				
177,758				
512,410				
943,690	578,430			
Total: 1,522,120				
	218,527	25,726[12]	907,613	2,052,102
	152,878			
	Nil			
74,881	74,881			
Nil				
35,958				
179,985				
422,780				
713,604	446,286			
Total: 1,159,890				
	49,970	25,879	865,135	2,902,934
	322,018			
	177,653			
48,910	48,906			
Nil				
Nil	Nil			
48,910	538,547			
Total: 587,457				
	204,838	71,549[12]	2,524,249	2,743,578
	197,746			
	Nil			
37,510	37,507			
Nil				
Nil	Nil			
37,510	440,091			
Total: 477,601				

[1] Calculated based on December 31, 2019 closing price on the TSX of $33.45 per Subordinate Voting Share of the Corporation and $34.94 per PFC Common Share. In accordance with CSA requirements, the total amount includes values for unvested (non-exercisable) options as well as vested (exercisable) options.

[2] Represents the number of PDSUs of the Corporation awarded to Messrs. Tretiak and Généreux and PDSUs awarded by PFC to Messrs. Tretiak and Généreux in each case, that were not vested as at December 31, 2019.

[3] Represents unvested PDSUs of the Corporation and PFC. The fair value of a PDSU of the Corporation is equal to the five-day average closing price on the TSX of Subordinate Voting Shares, immediately preceding December 31, 2019, being $33.43 per Subordinate Voting Share. The PDSUs awarded by the Corporation in 2019 are subject to performance vesting conditions over a three-year period pursuant to which PDSUs may vest within a range of 0 per cent to 150 per cent. The fair value of a PDSU of PFC is equal to its five-day average closing price on the TSX of PFC Common Shares, immediately preceding December 31, 2019 being $35.28 per PFC Common Share (see PFC's Statement of Executive Compensation). The amount shown assumes 100 per cent vesting, but as such PDSUs are unvested and/or are not payable until the retirement or other termination of employment of the NEO, the amount shown is not available to the NEOs. See "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives" below. Following the Reorganization, the terms of the PFC PDSUs were modified to (i) equitably adjust the performance vesting conditions attached to any PDSUs to give effect to the Reorganization; (ii) adjust the number of PDSUs by multiplying each award by 1.05; and (iii) substitute PFC Common Shares with Subordinate Voting Shares of the Corporation as the underlying security, but subject to any adjustment required to that award by the relevant governing plan documentation or grant documentation as a result of the Reorganization.

[4] This amount includes the value of DSP Plan shares and DSUs received in respect of the portion of annual retainers that, under the DSU Plan and DSP Plan of the Corporation, and similar plans of the Corporation's subsidiaries (including PFC), Directors are required to be paid in DSUs or in shares. This amount includes the fees that the NEOs, in their capacity as Directors of the Corporation or its subsidiaries, elected to receive as DSUs or shares. This amount also includes DSUs granted by the Corporation and PFC to Messrs. Tretiak and Généreux. The amount is calculated based on the following December 31, 2019 closing prices on the TSX: PCC Subordinate Voting Shares: $33.45, PFC Common Shares: $34.94, Lifeco Common Shares: $33.26 and IGM Common Shares: $37.28. Following the Reorganization, the terms of the PFC DSUs were modified to i) adjust the number of DSUs by multiplying each award by 1.05; and (ii) substitute PFC Common Shares with Subordinate Voting Shares of the Corporation as the underlying security, but subject to any adjustment required to that award by the relevant governing plan documentation or grant documentation as a result of the Reorganization.

[5] DSUs are payable at the time a Director's membership on the Board is terminated (provided the Director is not then a director, officer or employee of the Corporation or an affiliate of the Corporation), or in the event of the death of a Director, by a lump sum cash payment, based on the value of the DSUs at that time. Vested PDSUs are redeemable at the time the NEO's employment on behalf of the Corporation or PFC, as the case may be (or another corporation related to such issuer) is terminated, or in the event of the death of the NEO, by a lump sum cash payment, based on the value of the vested PDSUs at that time. The amount also includes 20,848 DSUs for Mr. Tretiak and 902 DSUs for Mr. Généreux that were vested on December 31, 2019.

[6] These values are related to non-exercisable options and are therefore not available to the NEOs.

[7] This NEO did not hold any PSUs or PDSUs of the Corporation or PFC as at December 31, 2019.

[8] Options awarded to the NEO by the Corporation during the financial year ended December 31, 2019. These options have a 10-year term. 50 per cent of these options vest on the third anniversary of the award and the remaining 50 per cent vest on the fourth anniversary of the award.

[9] On February 13, 2020, in connection with the Reorganization, the Corporation assumed the PFC's Employee Stock Option Plan and each PFC option then outstanding was exchanged for an option entitling the holder thereof to purchase Subordinate Voting Shares of Power (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)"). The number of Subordinate Voting Shares of Power that each holder of a PFC option became entitled to purchase under such options is such number of Subordinate Voting Shares of Power as is equal to the product obtained when (i) 1.05 is multiplied by (ii) the number of PFC Common Shares subject to such option immediately prior to the Reorganization (rounded down to the nearest whole number of Subordinate Voting Shares). The exercise price per Subordinate Voting Share for each holder of a PFC option became the quotient obtained when the exercise price per PFC Common Share payable under such option immediately prior to the Reorganization is divided by 1.05 (rounded up to the nearest whole cent).

[10] For an explanation of the terms, vesting conditions and grant date fair value for options awarded to Messrs. Paul Desmarais, Jr., André Desmarais, Tretiak and Généreux by PFC in 2019, see PFC's Statement of Executive Compensation. The Power Financial Employee Stock Option Plan was assumed by the Corporation on February 13, 2020 (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)").

[11] Mr. Tretiak also holds options of IGM previously granted to him as an officer of IGM which are disclosed in IGM's Management Proxy Circular dated February 21, 2020.

[12] For an explanation of the terms, vesting conditions and grant date fair value for PDSUs awarded to Mr. Généreux by PFC in 2019, see PFC's Statement of Executive Compensation.

[13] Mr. Généreux was awarded such options on his appointment as Executive Vice-President of the Corporation on March 2, 2015. These options have a 10-year term and vest at the rate of 20 per cent per year starting at the first anniversary of the award.

Incentive Plan Awards – Value Vested or Earned During the Year

The table below shows information for each NEO for the year ended December 31, 2019. The Power Financial Employee Stock Option Plan was assumed by the Corporation on February 13, 2020 (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)").

	Option-based awards – value vested during the year[1] [$]		Share based awards – value vested during the year[2] [$]		Non-equity incentive plan compensation – value earned during the year[3] [$]	
Name	PFC	PCC	PFC	PCC	PFC	PCC
Paul Desmarais, Jr.	Nil	243,581	Nil	Nil	1,000,000[4]	1,000,000
André Desmarais	Nil	243,581	Nil	Nil	1,000,000[4]	1,000,000
Gregory D. Tretiak[5]	Nil	Nil	Nil	Nil	1,000,000[4]	1,000,000
Claude Généreux	Nil	Nil	261,156	347,456	1,593,750	531,250[6]

[1] Summarizes for each of the NEOs, the aggregate value that would have been realized if the options under Power Executive Stock Option Plan and the Power Financial Employee Stock Option Plan (assumed by the Corporation) had been exercised on the vesting date during the financial year ended December 31, 2019.

[2] Summarizes for each of the NEOs, the aggregate value that would have been realized if PDSUs and PSUs of the Corporation and PFC had been redeemed on the vesting date during the financial year ended December 31, 2019. Vested PDSUs are redeemable at the time the NEO's employment on behalf of the Corporation or PFC, as the case may be (or another corporation related to such issuer) is terminated, or in the event of the death of the NEO, by a lump sum cash payment, based on the value of the vested PDSUs at that time. Vested PSUs are settled and paid by a lump sum cash payment shortly after the applicable three-year performance period.

[3] These are the same amounts as disclosed under the respective PFC and PCC "Annual Incentive Plans" columns in the Summary Compensation Table earlier in this Management Proxy Circular.

[4] This amount represents an inter-company reimbursement from PFC to the Corporation. It does not represent an additional amount paid to the NEOs by PFC. Although the Corporation paid these amounts to the applicable NEOs, they are not included under "PCC" above as they have been accounted for in the appropriate column under "PFC".

[5] Mr. Tretiak also holds options of IGM, previously granted to him as an officer of IGM, which vested during the year ended December 31, 2019. See disclosure in IGM's Management Proxy Circular dated February 21, 2020.

[6] This amount represents an inter-company reimbursement from the Corporation to PFC. It does not represent an additional amount paid to the NEO by the Corporation. Although PFC paid this amount to the NEO, it is not included under "PFC" above as it has been accounted for in the appropriate column under "PCC".

Equity Compensation Plan Information

The following table shows the number of securities authorized for issuance under equity compensation plans of the Corporation as at December 31, 2019. The only equity compensation plans under which Shares of the Corporation may now be issued from treasury are the Power Executive Stock Option Plan and the Power Financial Employee Stock Option Plan (assumed by the Corporation), which was assumed by the Corporation on February 13, 2020 as part of the Reorganization (see "Equity Compensation Plans – Power Financial Employee Stock Option Plan (assumed by the Corporation)").

At December 31, 2019	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans [excluding securities reflected in column [A]]
Plan category	[A]	[B]	[C]
Equity compensation plans approved by securityholders	16,356,062	$29.347	5,552,294
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	16,356,062	$29.347	5,552,294

Equity Compensation Plans

POWER EXECUTIVE STOCK OPTION PLAN

The Power Executive Stock Option Plan was accepted by the TSX and was approved by shareholders on May 10, 1985. Amendments to the number of shares available for issuance under the Power Executive Stock Option Plan and other provisions have also been approved by the Corporation's shareholders from time to time.

The following table provides information regarding the Power Executive Stock Option Plan, as at December 31, 2019.

	Number of subordinate voting shares	% of outstanding Shares of the Corporation
(a) Issuable pursuant to options outstanding	16,356,062	3.74%
(b) Issuable pursuant to options available for granting	5,552,294	1.27%
(c) Reserved for issuance (a+b)	21,908,356	5.01%[1]
Issuable pursuant to options granted during year ended December 31, 2019	1,325,223	0.30%[2]
Issuable pursuant to options granted during year ended December 31, 2018	1,350,172	0.29%[2]
Issuable pursuant to options granted during year ended December 31, 2017	1,127,871	0.24%[2]

[1] Commonly referred to as the "overhang".

[2] Commonly referred to as the annual "burn rate". The percentage is obtained by dividing the total number of Subordinate Voting Shares of the previous column by the weighted average number of total number of outstanding Shares for the applicable fiscal year. The weighted average number of total Shares outstanding was 437,511,762 (being the total of 388,656,990 Subordinate Voting Shares and 48,854,772 Participating Preferred Shares) for the fiscal year ended December 31, 2019, of 465,351,769 (being the total of 416,496,997 Subordinate Voting Shares and 48,854,772 Participating Preferred Shares) for the fiscal year ended December 31, 2018 and of 463,837,674 (being the total of 414,982,902 Subordinate Voting Shares and 48,854,772 Participating Preferred Shares) for the fiscal year ended December 31, 2017.

The Power Executive Stock Option Plan provides for the grant of options to certain officers, key employees and key associates of Power and its subsidiaries, as designated by the Human Resources Committee. The Human Resources Committee determines the number of Subordinate Voting Shares to be covered by each such grant of options and determines, subject to the Power Executive Stock Option Plan, the terms of each such grant of options. The options are granted for a period of not more than 10 years, although a shorter option period may be established by the Human Resources Committee. Options granted under the Power Executive Stock Option Plan generally vest on the basis of [i] as to the first 50 per cent, three years from the date of grant; and [ii] as to the remaining 50 per cent, four years from the date of grant. Options may be exercised earlier in the event of death, disability or a change of control of the Corporation.

The options granted under the Power Executive Stock Option Plan permit option holders to purchase Subordinate Voting Shares of the Corporation on payment of the subscription price. The subscription price is not less than the market value of Subordinate Voting Shares on the date of the grant. The market value of Subordinate Voting Shares for this purpose is calculated by taking the average of the high and low prices of Subordinate Voting Shares on the TSX on the immediately preceding trading day or, if two or more sales of Subordinate Voting Shares have not been reported for that day, the average of the bid and ask for the Subordinate Voting Shares on such day.

Unless otherwise determined by the Human Resources Committee, options terminate upon the earlier of the date first established by the Human Resources Committee and [i] three years from termination of employment by reason of death; [ii] three years from the date of death in the event of the death of a retiree holding stock options; [iii] 12 months from termination of employment other than by reason of death, disability, retirement or dismissal for fraud or wilful fault or neglect; [iv] the date of termination of employment by reason of dismissal for fraud or wilful fault or neglect; and [v] the date of termination of employment for any cause other than death or disability, in the case of an employee with less than one year's service at the date of grant. In the event of a change of control of the Corporation, all outstanding options will become vested and other terms, as first established by the Human Resources Committee, will remain unchanged. Options are not assignable other than by will or succession law, except, if and on such terms as the Committee may permit, options can be transferred to certain of the optionee's family members, or trusts or holding companies controlled by the optionee, in which case the options shall continue to be subject to the Power Executive Stock Option Plan as if the optionee remained the holder thereof.

If options granted under the Power Executive Stock Option Plan would otherwise expire during a blackout period or within 10 business days of the end of such period, the expiry date of the option will be extended to the tenth business day following the end of the blackout period.

The number of Subordinate Voting Shares issuable to insiders (as defined under TSX rules for this purpose) at any time under options issued and outstanding pursuant to the Power Executive Stock Option Plan and under any other security-based compensation arrangements (also as defined under applicable TSX rules) of the Corporation shall not exceed in the aggregate 10 per cent of the Corporation's total issued and outstanding Shares, and the number of Subordinate Voting Shares issued to insiders within any one-year period under options issued and outstanding pursuant to the Power Executive Stock Option Plan and under any other security-based compensation arrangements of the Corporation shall not exceed in the aggregate 10 per cent of the Corporation's total issued and outstanding Shares. The number of Subordinate Voting Shares reserved for issuance to any one person pursuant to options is limited to 5 per cent of the outstanding Shares.

The Board may at any time and from time to time amend, suspend, cancel or terminate the Power Executive Stock Option Plan or an option granted thereunder, in whole or in part, provided however that approval of the holders of the Shares, by a majority of votes cast by voting shareholders present or represented by proxy at a meeting, is required for the following:

1. increasing the number of Subordinate Voting Shares that can be issued under the Power Executive Stock Option Plan;
2. reducing the subscription price of an outstanding option, including a cancellation and re-grant of an option in conjunction therewith constituting a reduction of the subscription price of the option;
3. extending the term of any outstanding option;
4. permitting the grant of an option with an expiry date of more than 10 years from the grant date;
5. expanding the authority of the Board to permit assignability of options beyond that currently contemplated by the Power Executive Stock Option Plan;
6. adding non-employee Directors to the categories of participants eligible to participate in the Power Executive Stock Option Plan;
7. amending the Power Executive Stock Option Plan to provide for other types of compensation through equity issuance;
8. increasing or deleting the percentage limit on Shares issuable or issued to insiders under the Power Executive Stock Option Plan (being 10 per cent of the Corporation's total issued and outstanding Shares);
9. increasing or deleting the percentage limit on Shares reserved for issuance to any one person under the Power Executive Stock Option Plan (being 5 per cent of the Corporation's total issued and outstanding Shares); and
10. amending the amendment provisions other than as permitted under TSX rules;

unless, in any of the foregoing cases, the change results from the application of the anti-dilution provisions of the Power Executive Stock Option Plan. Subject to but without limiting the generality of the foregoing, the Board may: narrow the eligibility for, and limitations on, participation in the Power Executive Stock Option Plan; modify periods during which the options may be exercised under the Power Executive Stock Option Plan; modify the terms on which the awards may be granted, terminated, cancelled and adjusted and exercised; amend the provisions of Power Executive Stock Option Plan to comply with applicable laws, the requirements of regulatory authorities or applicable stock exchanges; amend the Power Executive Stock Option Plan or an award thereunder to correct or rectify an ambiguity, a deficient or inapplicable provision, an error or an omission; and amend a provision of the Power Executive Stock Option Plan relating to the administration or technical aspects of the plan.

Following the Reorganisation, the Board of Directors of the Corporation approved a grant of options to eligible employees effective February 21, 2020. In light of the streamlining of the holding company operations and the implementation of a significant near-term cost reduction plan, the 2020 grant volume of options covers a period of three years, with extended time-vesting provisions to reflect the multi-year period covered by the grant. The primary objective is to align the employees' interests with those of the shareholders to ensure a successful transition period.

In March 2020, the Board of Directors of the Corporation amended the anti-dilution provisions of the Power Executive Stock Option Plan to provide that (a) in the event of a special dividend out of the ordinary course of the Corporation, an equitable adjustment shall be made in the subscription price of outstanding options and (b) notwithstanding anti-dilution provision or otherwise, any adjustment to an option issued to a US Taxpayer shall be made in accordance with the requirements of Section 409A of the Code. For these purposes, "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto, and the applicable rulings and regulations thereunder and "US Taxpayer" means an optionee who is a citizen or permanent resident of the United States for purposes of the Code or an optionee for whom the compensation under this Plan would otherwise be subject to income tax under the Code. In accordance with the amendment provisions of the Power Executive Stock Option Plan, the foregoing amendments did not require shareholder approval.

See also "Amendments to Executive Stock Option Plan".

POWER FINANCIAL EMPLOYEE STOCK OPTION PLAN (ASSUMED BY THE CORPORATION)

The Power Financial Employee Stock Option Plan was assumed by the Corporation on February 13, 2020, at which time all the outstanding stock options granted thereunder were exchanged for stock options of the Corporation (each a "Replacement Option"), under the Power Financial Employee Stock Option Plan. The Power Financial Employee Stock Option Plan is therefore now administered by the Human Resources Committee of the Corporation. The number of Subordinate Voting Shares which the holder of such outstanding options became entitled to purchase under such Replacement Option was such number of Subordinate Voting Shares as is equal to the product obtained when (i) 1.05 is multiplied by (ii) the number of PFC Common Shares subject to such option immediately prior to the exchange (such product rounded down to the nearest whole number of Subordinate Voting Shares). The exercise price per Subordinate Voting Share for each Replacement Option is the quotient obtained when the exercise price per PFC Common Share payable under such option immediately prior to the exchange was divided by 1.05 (such quotient rounded up to the nearest whole cent). Accordingly, as at February 13, 2020, 13,733,786 Subordinate Voting Shares were issuable pursuant to the exercise of Replacement Options, while the same quantity of Subordinate Voting Shares was reserved for issuance under the Power Financial Employee Stock Option Plan following the Reorganization.

The outstanding Replacement Options were granted by PFC for a period of not more than 10 years and vest on a delayed basis over periods beginning no earlier than one year from date of grant and no later than five years from date of grant.

The options granted under the Power Financial Employee Stock Option Plan permit option holders to purchase Subordinate Voting Shares on payment of the subscription price. The market value of Subordinate Voting Shares for this purpose is calculated by taking the average of the high and low prices of Subordinate Voting Shares on the TSX on the immediately preceding trading day, or if two or more sales of Subordinate Voting Shares have not been reported for that day, the average of the bid and ask for the Subordinate Voting Shares on such day.

Unless otherwise determined by the Human Resources Committee, options terminate upon the earlier of the date first established by the Human Resources Committee and [i] 36 months from termination of employment by reason of death; [ii] seven years from termination of employment by retirement; [iii] 12 months from termination of employment other than by reason of death, retirement or dismissal for fraud or wilful fault or neglect; [iv] the date of termination of employment by reason of dismissal for fraud or wilful fault or neglect; and [v] the date of termination of employment in the case of an employee with less than one year's service at the date of grant. Options are not assignable other than by will or succession law, except, if and on such terms as the Committee may permit, options can be transferred to certain of the optionee's family members, or trusts or holding companies controlled by the optionee, in which case the options shall continue to be subject to the Power Financial Employee Stock Option Plan as if the optionee remained the holder thereof.

If options granted under the Power Financial Employee Stock Option Plan would otherwise expire during a blackout period or within 10 business days of the end of such period, the expiry date of the option will be extended to the tenth business day following the end of the blackout period.

The number of Subordinate Voting Shares issuable to insiders (as defined under TSX rules for this purpose) at any time under options issued and outstanding pursuant to the Power Financial Employee Stock Option Plan and under any other security-based compensation arrangements (also as defined under applicable TSX rules) of the Corporation shall not exceed in the aggregate 10 per cent of the Corporation's total issued and outstanding Subordinate Voting Shares, and the number of Subordinate Voting Shares issued to insiders within any one-year period under options issued and outstanding pursuant to the Power Financial Employee Stock Option Plan and under any other security-based compensation arrangements of the Corporation shall not exceed in the aggregate 10 per cent of the Corporation's total issued and outstanding Subordinate Voting Shares. The number of Subordinate Voting Shares covered by options held by any one optionee shall not exceed 5 per cent of the outstanding Subordinate Voting Shares at any time.

The Board may at any time and from time to time amend, suspend, cancel or terminate the Power Financial Employee Stock Option Plan or an option granted thereunder, in whole or in part, provided however that approval of the holders of the Subordinate Voting Shares, by a majority of votes cast by voting shareholders present or represented by proxy at a meeting, is required for the following:

1. increasing the number of Subordinate Voting Shares that can be issued under the Power Financial Employee Stock Option Plan;
2. reducing the subscription price of an outstanding option, including a cancellation and re-grant of an option in conjunction therewith constituting a reduction of the subscription price of the option;
3. extending the term of any outstanding option;
4. permitting the grant of an option with an expiry date of more than 10 years from the grant date;
5. expanding the authority of the Board to permit assignability of options beyond that currently contemplated by the Power Financial Employee Stock Option Plan;
6. adding non-employee Directors to the categories of participants eligible to participate in the Power Financial Employee Stock Option Plan;
7. amending the Power Financial Employee Stock Option Plan to provide for other types of compensation through equity issuance;
8. increasing or deleting the percentage limit on shares issuable or issued to insiders under the Power Financial Employee Stock Option Plan (being 10 per cent of the Corporation's total issued and outstanding Subordinate Voting Shares);
9. increasing or deleting the percentage limit on shares reserved for issuance to any one person under the Power Financial Employee Stock Option Plan (being 5 per cent of the Corporation's total issued and outstanding Subordinate Voting Shares); and
10. amending the amendment provisions other than as permitted under TSX rules;

unless, in any of the foregoing cases, the change results from the application of the anti-dilution provisions of the Power Financial Employee Stock Option Plan. Subject to but without limiting the generality of the foregoing, the Board may: narrow the eligibility for, and limitations on, participation in the Power Financial Employee Stock Option Plan; modify periods during which the options may be exercised under the Power Financial Employee Stock Option Plan; modify the terms on which the awards may be granted, terminated, cancelled and adjusted and exercised; amend the provisions of Power Financial Employee Stock Option Plan to comply with applicable laws, the requirements of regulatory authorities or applicable stock exchanges; amend the Power Financial Employee Stock Option Plan or an award thereunder to correct or rectify an ambiguity, a deficient or inapplicable provision, an error or an omission; and amend a provision of the Power Financial Employee Stock Option Plan relating to the administration or technical aspects of the plan.

In March 2020, the Board of Directors of the Corporation amended the anti-dilution provisions of the Power Financial Employee Stock Option Plan to provide that (a) in the event of a special dividend out of the ordinary course of the Corporation, an equitable adjustment shall be made in the subscription price of outstanding options and (b) notwithstanding anti-dilution provision or otherwise, any adjustment to an option issued to a US Taxpayer shall be made in accordance with the requirements of Section 409A of the Code. For these purposes, "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto, and the applicable rulings and regulations thereunder and "US Taxpayer" means an optionee who is a citizen or permanent resident of the United States for purposes of the Code or an optionee for whom the compensation under this Plan would otherwise be subject to income tax under the Code. In accordance with the amendment provisions of the Power Financial Employee Stock Option Plan, the foregoing amendments did not require shareholder approval.

In March 2020, the Board of Directors of the Corporation further amended the Power Financial Employee Stock Option Plan to authorize the grant of tandem share appreciation rights (a "TSAR" or "TSARs") in connection with options granted thereunder, at or after the time of grant of such options. A TSAR entitles the optionee to surrender to the Corporation, unexercised, the right to subscribe for a Subordinate Voting Share pursuant to the related option and to receive from the Corporation cash in an amount equal to the excess of the market value of a Subordinate Voting Share over the subscription price under the related option, net of any applicable withholding taxes and other required source deductions. For this purpose, the Power Financial Employee Stock Option Plan defines "market value" as the average of the high and low prices of Subordinate Voting Shares on the TSX on the immediately preceding trading day, or if two or more sales of Subordinate Voting Shares shall not have been reported for that day, the average of the bid and ask for the Subordinate Voting Shares on such day. In accordance with the amendment provisions of the Power Financial Employee Stock Option Plan, the foregoing amendments did not require shareholder approval.

TSARs may be granted under the Power Financial Employee Stock Option Plan in an amount equal to the number of Subordinate Voting Shares covered by the applicable option. Each exercise of a TSAR in respect of a Subordinate Voting Share covered by the option to which the TSAR is connected shall cancel that option in respect of such Subordinate Voting Share. All shares subject to options that have been cancelled shall no longer be available under the Power Financial Employee Stock Option Plan. Unexercised TSARs shall terminate when the related option is exercised or, if the option is not exercised, when such option ceases to be exercisable under the Power Financial Employee Stock Option Plan.

Retirement Plan Benefits

The Corporation has a Supplementary Executive Retirement Plan (the "SERP") pursuant to which pension benefits may become payable, in addition to the pension benefits payable from the Corporation's basic pension plan, to certain of the executive officers of the Power Group, as may be designated for participation by the Human Resources Committee of the Board of Directors. The NEOs, except Messrs. Tretiak and Généreux, participate in the SERP.

The following table summarizes the main provisions of the SERP:

Provision	Description
Member contributions	None permitted
Credited service	Years of service (including fractions of years of service) with the Power Group while an executive officer designated by the Corporation for participation in the SERP
Pensionable compensation	Salary and bonuses received in respect of all Power Group positions
Average compensation	Average of the highest 3 years of compensation out of the final 10 years of credited service
Normal retirement age	62 years
Pension formula	Maximum annual pension equal to 60 per cent of the average compensation less offset (see below)
Offset	Amount of benefits payable under the Canada Pension Plan or the Québec Pension Plan and the Corporation's basic pension plan
Years of credited service requirement	Entitlement to the maximum supplementary pension under the SERP requires 15 years of credited service with the Power Group and no benefit is payable to a participant with less than 5 years of credited service at retirement
Reduced pension	The amount of the supplementary pension (prior to offset) is reduced by 6 ⅔ per cent for each year by which the credited service with the Power Group is less than 15 years
Early retirement age	Early retirement may not be elected prior to age 55
Retirement prior to normal retirement age	The supplementary pension earned to the date of early retirement becomes payable, provided the participant has completed 10 years of credited service with the Power Group, but is subject to a reduction in the supplementary pension benefit (prior to offset) of 6 per cent for each year by which the retirement precedes age 60

Under his pension benefit arrangement and the Corporation's basic pension plan, Mr. Tretiak became entitled to an annual pension at age 62 equal to a percentage of the average of the highest 3 years of his compensation out of the final 10 years of credited service multiplied by his credited service under the Corporation's basic pension plan, provided that, in no event will such pension benefit exceed 60 per cent of the average of the highest 3 years of his compensation out of the final 10 years of credited service. Mr. Tretiak's pension benefit is reduced by the amount of the benefits payable under the Canada Pension Plan or the Québec Pension Plan and any benefits payable under his IGM Supplementary Executive Retirement Plan (for prior service with IGM, a subsidiary of the Corporation). Credited service includes service with the Corporation and service with IGM recognized under the Corporation's basic pension plan. His average compensation covered under his pension benefit arrangement is calculated based on salary and bonuses received in respect of all Power Group positions.

Under his pension benefit arrangement and the Corporation's basic pension plan, Mr. Généreux becomes entitled to an annual pension at age 62 equal to a percentage of the average of the highest 3 years of his compensation out of the final 10 years of credited service multiplied by his total years of credited service with the Corporation, provided that, in no event will such pension benefit exceed 60 per cent of the average of the highest 3 years of his compensation out of the final 10 years of credited service. Given that Mr. Généreux is a mid-career hire, his pension benefit upon his retirement will not reach the maximum benefit set under his pension arrangement and should be significantly below such maximum. Mr. Généreux's pension benefit is reduced by the amount of the benefits payable under the Canada Pension Plan or the Québec Pension Plan. Mr. Généreux's period of credited service is his period of employment with the Power Group. His average compensation covered under his pension benefit arrangement is calculated based on salary and bonuses received in respect of all Power Group positions.

The following table presents information on the pension benefits offered to each NEO calculated as of the end of 2019 for the Corporation's basic pension plan, the SERP, Mr. Tretiak's pension benefit arrangement and Mr. Généreux's pension benefit arrangement for services rendered in all capacities to the Corporation and its subsidiaries, including PFC in the case of certain NEOs. The amounts shown below under "Power Financial Corporation" and "Power Corporation of Canada" represent the portion of the annual pension benefits payable and the accrued obligation that are shared by PFC and the Corporation. As at the end of 2019, the percentages attributable to PFC and the Corporation are, respectively, 59 per cent and 41 per cent for Paul Desmarais, Jr., 42 per cent and 58 per cent for André Desmarais, 50 per cent for Gregory D. Tretiak, and 77 per cent and 23 per cent for Claude Généreux.

		POWER FINANCIAL CORPORATION					
		Annual benefits payable [$]					
Name	Number of years of credited service[1] [#]	At year-end[2,3]	At age 65[2]	Accrued obligation at start of year[4,5] [$]	Compensatory change[6] [$]	Non-compensatory change[7] [$]	Accrued obligation at year-end[4,5] [$]
Paul Desmarais, Jr.	42.7[8]	1,086,114	1,086,114	16,125,740	31,410	2,755,300	18,912,450
André Desmarais	36.7[8]	773,166	773,166	12,148,790	-120,140	2,214,390	14,243,040
Gregory D. Tretiak	31.5[9]	520,248	520,248	7,025,500	888,000	1,925,000	9,838,500
Claude Généreux	4.8[10]	282,565	727,384	3,201,120	993,050	666,070	4,860,240

[1] With respect to Messrs. Paul Desmarais, Jr. and André Desmarais, a maximum of 15 years of credited service are recognized under the SERP and for Mr. Tretiak, a maximum of 30 years of credited service are recognized under the pension benefit arrangement.

[2] The annual benefits payable at year end and at age 65 represent the estimated pension earned for all service to date, and based on total service projected to age 65, respectively, assuming benefits are fully vested. This estimated pension is calculated based on actual pensionable earnings as at the end of the financial year ended December 31, 2019 and on the terms of the current retirement arrangements. The benefits payable at year end, as shown above, do not include any reduction that may apply if a NEO retires prior to the normal retirement age. For NEOs who have already attained age 65, the annual benefits payable at age 65 correspond to the annual benefits payable at year end.

[3] For an explanation of the annual benefit payable by PFC at year end, see PFC's Statement of Executive Compensation.

[4] The accrued obligation represents the value of the projected pension benefits from all pension plans of the Corporation, earned for all service to date.

[5] The estimated accrued obligation values are calculated each year, based on the same method and assumptions used in the Corporation and PFC's financial statements. The key assumptions include a discount rate of 3.90 per cent per year for the basic pension plan and a discount rate of 3.80 per cent per year for the SERP to calculate the accrued obligation at the start of the year and the annual service cost, a discount rate of 3.20 per cent per year for the basic pension plan and a discount rate of 3.10 per cent per year for the SERP to calculate the accrued obligation at year end and a rate of increase in future compensation of 3.50 per cent per year.

POWER CORPORATION OF CANADA						Total		
Annual benefits payable [$]						Annual benefits payable [$]		
At year-end[2]	At age 65[2]	Accrued obligation at start of year[4,5] [$]	Compensatory change[6] [$]	Non-compensatory change[7] [$]	Accrued obligation at year-end[4,5] [$]	At year-end[2]	At age 65[2]	Accrued obligation at year-end[4,5] [$]
754,758	754,758	11,677,260	22,590	1,442,700	13,142,550	1,840,872	1,840,872	32,055,000
1,067,706	1,067,706	16,104,210	-166,860	3,731,610	19,668,960	1,840,872	1,840,872	33,912,000
520,248	520,248	7,025,500	888,000	1,925,000	9,838,500	1,040,496	1,040,496	19,677,000
84,402	217,271	902,880	325,950	222,930	1,451,760	366,967	944,655	6,312,000

[6] Includes service cost for the year, the impact on the accrued obligation of the difference between actual and estimated earnings and the impact of amendments to the applicable plans or arrangements, if any.

[7] Includes the impact on the accrued obligation of the change in the discount rate from 3.90 per cent to 3.20 per cent for the basic pension plan and from 3.80 per cent to 3.10 per cent for the SERP, non-pay related experience such as mortality and retirement, and increase in the obligation due to interest and changes in other assumptions, if any.

[8] Represents the total years of credited service with the Corporation and PFC.

[9] Represents the total years of credited service with the Corporation, PFC and IGM.

[10] Mr. Généreux's credited service under the Corporation's basic pension plan was 4.3 years due to the plan's waiting period. Credited service under Mr. Généreux's supplemental pension arrangement began on his first day of employment and totaled 4.8 years as at December 31, 2019.

Termination and Change of Control Benefits

There are no change of control provisions in place for the NEOs which provide for incremental payments, payables or benefits.

Although Messrs. Paul Desmarais, Jr. and André Desmarais have stepped down from their roles as Co-Chief Executive Officers as of February 13, 2020, the effective date of their retirement for the purposes of their benefits is March 1, 2020. See "Components of Executive Compensation – Incentive Compensation – Long-Term Incentives".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The following table presents the aggregate outstanding indebtedness, as at February 29, 2020, of all current and former executive officers, directors and employees of the Corporation or any of its subsidiaries (other than Lifeco and IGM and their respective subsidiaries), to the Corporation or its subsidiaries, or to other entities if the indebtedness to such other entities is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, in each case other than "routine indebtedness" as defined under applicable securities law.

Aggregate indebtedness

Purpose	To the Corporation or its subsidiaries [$]	To another entity [$]
Share Purchases	Nil	Nil
Other	22,378,018[1]	Nil

[1] Reflects loans to certain executive employees of subsidiaries of the Corporation.

If and as required by applicable securities law, the aggregate outstanding indebtedness of all current and former executive officers, directors and employees of Lifeco and its subsidiaries to Lifeco and its subsidiaries is disclosed in Lifeco's Management Proxy Circular dated March 9, 2020 and the aggregate outstanding indebtedness of all current and former executive officers, directors and employees of IGM and its subsidiaries to IGM and its subsidiaries is disclosed in IGM's Management Proxy Circular dated February 21, 2020.

Other than as disclosed in the foregoing table, as at February 29, 2020, no current or former executive officers, directors or employees of the Corporation or any of its subsidiaries (other than Lifeco and IGM and their respective subsidiaries), was indebted to the Corporation or any of its subsidiaries, or to other entities if the indebtedness to such other entities is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, in each case other than "routine indebtedness" as defined under applicable securities law.

COMPENSATION DISCUSSION AND ANALYSIS

The 2019 compensation of the officers of the Corporation (in such capacity), other than Mr. Généreux, was determined by the Human Resources Committee of the Corporation. Other than the options awarded by PFC to Messrs. Paul Desmarais, Jr., André Desmarais and Tretiak, the 2019 compensation of the officers of PFC (in such capacity) who are also officers of the Corporation, other than Mr. Généreux (namely Messrs. Paul Desmarais, Jr., André Desmarais and Tretiak), was determined by the Human Resources Committee of the Corporation, which is constituted entirely with Directors who are independent of PFC and the Corporation. Other than the options and PDSUs awarded to Mr. Généreux by the Corporation, his compensation for 2019 was determined by the Compensation Committee of PFC. The amounts shown in "Executive Compensation – Summary Compensation Table" earlier in this Management Proxy Circular for Messrs. Paul Desmarais, Jr., André Desmarais and Tretiak for "Salary", "Annual Incentive Plans" and "Pension Value" under "Power Financial Corporation" have been paid or credited by the Corporation, were subject to inter-company reimbursements from PFC to the Corporation, and do not represent additional compensation paid or credited to these officers by PFC. The amounts shown in "Executive Compensation – Summary Compensation Table" earlier in this Management Proxy Circular for Mr. Généreux for "Salary", "Annual Incentive Plans" and "Pension Value" under "Power Corporation of Canada" have been paid or credited by PFC, were subject to inter-company reimbursements from the Corporation to PFC, and do not represent additional compensation paid or credited to such officer by the Corporation.

The Human Resources Committee

The Board of Directors of the Corporation has established a Human Resources Committee (previously the Compensation Committee) (the "Committee"), which is responsible for approving (or, in the case of the former Co-CEOs, recommending to the Board for approval) the compensation for the executives of the Corporation. The Committee also recommends to the Board for approval the compensation arrangements for the Directors, for the Chairman and Deputy Chairman of the Board, for the Chairs of Board Committees, for the Lead Director and for members of Board Committees. The Committee also approves compensation policies and guidelines applicable to employees; it recommends for approval by the Board such incentive compensation plans, equity compensation plans, registered pension plans, supplemental pension plans and other compensation plans for employees as it deems appropriate; and it oversees the management of the Corporation's incentive compensation plans and equity compensation plans.

COMPOSITION OF THE COMMITTEE

The members of the Committee are Anthony R. Graham, Marcel R. Coutu and Isabelle Marcoux. Each member of the Committee is an independent director within the meaning of the Instruments (as more fully described in the "Statement of Corporate Governance Practices – Independence of Directors" section later in this Management Proxy Circular) and none receives, directly or indirectly, any compensation from the Corporation other than for service as a member of the Board of Directors and its committees. Additionally, none of the members of the Committee currently serves as the Chief Executive Officer of a public company. As described below, all members of the Committee have direct experience that is relevant to their responsibilities in executive compensation and have the skills and experience that contribute to the ability of the Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

RELEVANT EXPERIENCE OF MEMBERS OF THE COMMITTEE

In addition to each Committee member's general business background, senior management experience and involvement with other companies (see biographical information under "Election of Directors – Nominees for Election to the Board"), each of the Committee members has many years of experience on the human resources committees, or working closely with the human resources committees, of other companies. The following is a description of the direct experience of each of the members of the Committee that is relevant to such member's responsibilities in executive compensation. Through the positions described below, the members of the Committee have been involved in the design, implementation or oversight of compensation programs within the financial services industry or other sectors. The members of the Human Resources Committee draw upon this experience and their business judgment, as well as the skills gained with this experience, to enable the Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

Mr. Graham is Chairman and Chief Executive Officer of Sumarria Inc., an investment management company, since 1984. He was Vice-Chairman of Wittington Investments, Limited ("Wittington Investments"), the principal holding company of the Weston-Loblaw Group from May 2014 to May 2019. From June 2000 to May 2014, he was President of Wittington Investments. Prior thereto, he held senior positions in Canada and the United Kingdom with National Bank Financial Inc. (formerly Lévesque Beaubien Geoffrion Inc.), a Montréal-based investment dealer. Mr. Graham serves on the Boards of Bombardier Inc. since May 2019, Choice Properties Real Estate Investment Trust since April 2017, Graymont Limited and Grupo Calidra, S.A. de C.V. He formerly served on the Boards of PFC from May 2001 to February 2020, of George Weston Limited from November 1996 to May 2016, of Loblaw Companies Limited from February 1999 to July 2015, and of President's Choice Bank, of which he served as Chairman from 1999 until May 2015. He has been a member of the Corporation's Human Resources Committee since May 2010 and the Committee's Chairman since May 2012.

Mr. Coutu is a Company Director. He is a Director of Brookfield Asset Management Inc. and Enbridge Inc. From 2001 to January 1, 2014, he was President and Chief Executive Officer of Canadian Oil Sands Limited (an oil and gas company) and Chairman of Syncrude Canada Ltd. (a Canadian oil sands project). He was previously Senior Vice-President and Chief Financial Officer of Gulf Canada Resources Limited and, prior to that, held various positions in the areas of corporate finance, investment banking, and mining and oil and gas exploration and development. Mr. Coutu is a Director and a member of the Human Resources Committees of Lifeco and its subsidiaries Canada Life, Empower Retirement, Putnam Investments, LLC and of IGM and its subsidiaries, IG Wealth Management and Mackenzie Inc. He serves on the Calgary Exhibition and Stampede Board, and has also held board positions with Gulf Indonesia Resources Limited, TransCanada Power Limited Partnership and the Board of Governors of the Canadian Association of Petroleum Producers. He has been a member of the Corporation's Human Resources Committee since May 2012.

Ms. Marcoux is Chair of the Board of Transcontinental Inc. since 2012, a leader in flexible packaging in North America and Canada's largest printer and a leader in school textbook publishing. Previously, she was Vice-Chair of the Board from 2007 to 2012 and Vice-President, Corporate Development, from 2004 to 2012. Between 1998 and 2004, she held successive roles as Director, Legal Affairs and Assistant Corporate Secretary, and Director, Mergers and Acquisitions. Before joining Transcontinental Inc., she was a lawyer at McCarthy Tétrault LLP. Ms. Marcoux is a member of the Board of Rogers Communications Inc. She was also a member of the Board of George Weston Limited for 12 years, until 2019. In 2019, she was appointed Member of the Order of Canada. She is the Chair of the Human Resources Committee of Rogers Communications Inc. and, as the Chair of the Board of Transcontinental Inc., she works closely with its Human Resources and Compensation Committee. She has been a member of the Corporation's Human Resources Committee since May 2012.

HUMAN RESOURCES COMMITTEE WORK PLAN

The following provides an overview of the Human Resources Committee work plan for the year ended December 31, 2019, during which the Committee met seven times:

2019 Human Resources Committee Primary Activities
Consideration of identified risks associated with compensation
Approval of compensation disclosure in management proxy circular for the 2019 AGM
Review of compensation, retirement and benefit consulting services
Approval of Co-CEO's objectives for 2019 and review of 2019 performance
Review of Minimum Equity Ownership Requirement for Directors and officers
Approval of vesting/payout for applicable grants under the Corporation's Performance Share Unit Plan
Approval of new grants under Power Executive Stock Option Plan and Performance Share Unit Plan
Review of compensation structure for the executives of certain subsidiaries of the Corporation
Review and approval of a new pension plan design for executives
Review of senior management succession planning
Review of report on administration of benefit plans (including pension programs)
Review of Directors' compensation
Review and recommendation to the Board for approval (where required) of new employment agreements
Review of personal loans to officers
Approval of global salary increase budget
Review and approval of performance conditions applicable to the Performance Share Unit Plan
Review of inputs and market peer review for compensation of members of senior management
Approval of annual incentive plan award and salary increases for members of senior management

Compensation Consultant

Willis Towers Watson (including its predecessors, the "Compensation Consultant") has been retained by the Committee since 2006 to provide executive compensation consulting services. The Compensation Consultant's services typically include advising on compensation policies and assessing compensation-related market developments for senior executives and directors. In particular, in 2019, the Compensation Consultant provided advice to the Committee on changes made to the Corporation's Director compensation structure (see "Compensation of Directors – Process for Determination of Director Compensation") and completed the executives' total compensation study. The Committee meets alone as required without the Compensation Consultant and without management. In addition, the Committee regularly consults the Compensation Consultant without management being present. Recommendations and decisions made by the Human Resources Committee usually reflect other factors and considerations in addition to the information and guidance provided by the Compensation Consultant.

The Compensation Consultant also provides non-executive compensation consulting services to the Corporation, at the request of management, which are mainly comprised of compensation, retirement and benefit consulting services. On an annual basis, the Compensation Consultant discloses to the Human Resources Committee its full relationship with the Corporation, as well as its consulting structure and other safeguards put in place to avoid conflicts of interest when consulting on executive compensation matters.

The Committee approves all the consulting services provided to the Corporation by the Compensation Consultant.

The Compensation Consultant's fees for the 2018 and 2019 fiscal years for such services were as follows[1]:

	Year ended December 31, 2018 [$]	Year ended December 31, 2019 [$]
Executive Compensation-Related Fees	157,054	196,162
All Other Fees[2]	238,376	180,196

[1] If and as required by applicable securities legislation, fees paid to compensation consultants by PFC are disclosed in PFC's Statement of Executive Compensation, fees paid to compensation consultants by Lifeco are disclosed in Lifeco's Management Proxy Circular dated March 9, 2020 and fees paid to compensation consultants by IGM are disclosed in IGM's Management Proxy Circular dated February 21, 2020.

[2] These fees relate to non-executive compensation, corporate insurance, retirement and group benefits consulting services.

Executive Compensation Policy

Power's executive compensation policies and programs have been designed to support the Corporation's primary objective of generating added value for shareholders over the long term. Unlike the Corporation's operating subsidiaries, where compensation may be tied directly to specific objectives, the Corporation is a holding company and its compensation is deliberately structured to reflect the long-term value-building nature of the duties of senior management and the absence of precise shorter-term operating measures. The main goals of the Corporation's executive compensation policy are to:

> attract and retain key executive talent with the knowledge and expertise required to develop and execute business strategies to generate long-term shareholder value;

> provide executives with a total compensation package competitive with that offered by other large global organizations based in North America; and

> ensure that long-term incentive compensation is a major component of total compensation.

The Corporation's executive compensation program is designed to reward the following:

> excellence in crafting and executing strategies and transactions that will produce significant value for the shareholders over the long term;

> management vision and an entrepreneurial approach;

> quality of decision-making;

> success in identifying and appropriately managing risk;

> integration of environmental, social and governance factors in investment decisions;

> strength of leadership; and

> record of performance over the long term.

Compensation Risk Management

In performing its duties, the Committee considers the implications of the possible risks associated with the Corporation's compensation policies and practices. This includes:

> identifying any such policies or practices that may encourage executive officers to take inappropriate or excessive risks;

> identifying risks arising from such policies and practices that could have a material adverse effect on the Corporation; and

> considering the possible risk implications of the Corporation's compensation policies and practices and any proposed changes to them.

The Committee, with the assistance of the Compensation Consultant, annually reviews and assesses the Corporation's compensation policies and practices in relation to such risks, including assessing such policies and practices in light of practices identified by the CSA as potentially encouraging executive officers to expose the Corporation to inappropriate or excessive risks. It is the Committee's view that the Corporation's compensation policies and practices do not encourage inappropriate or excessive risk-taking.

The Committee believes that the Corporation's status as a diversified investment holding company, with the Chairman and the Deputy Chairman directly holding substantial equity of the Corporation, and serving as trustees of the Desmarais Family Residuary Trust as described above under "Voting Shares and Principal Holders Thereof", mitigates against policies and practices which would encourage executive officers to expose the Corporation to inappropriate or excessive risks. As disclosed above, the Corporation's executive compensation policies and programs have been designed to support the Corporation's primary objective of generating long-term value for shareholders.

Non-equity cash incentives, when paid, are not related to specific quantifiable performance targets defined prior to the beginning of the year, and are determined by reference to a number of factors, as described below. As such, the Committee believes they do not incent potentially inappropriate short-term risk-taking executive behaviour. As also described below, a significant portion of the executive officers' compensation is in the form of PDSUs and PSUs which are subject to performance vesting conditions over a three-year period and stock options which typically have a 10-year term and vest over specified numbers of years during the options' term. In the view of the Committee, as [i] recipients only benefit under PDSUs and PSUs if performance conditions are met over a three-year period, [ii] since the payment of vested PDSUs is deferred until the executive retires or otherwise leaves the employment of the Corporation and [iii] as options generally vest on the third and fourth anniversaries of grant and recipients only benefit under options if shareholder value increases over the long-term, officers are not incented to take actions which provide short-term benefits and which may expose the Corporation over a longer term to inappropriate or excessive risks. In addition, pursuant to the Corporation's minimum equity ownership requirements, members of senior management are required to hold Shares, DSUs, PDSUs and/or PSUs of the Corporation with at least a specified aggregate minimum value (see "Minimum Equity Ownership Requirement for Senior Management" below), which also mitigates against such executives taking inappropriate or excessive risks to improve short-term performance. Furthermore, under the Corporation's Policy Concerning Insider Trading, Directors and employees of the Corporation are prohibited from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities or equivalents such as DSUs, PDSUs and PSUs, the value of which is derived from equity securities granted by the Corporation as compensation (See "Equity-based Compensation Anti-hedging Policies" below). Finally, under the Clawback Policy, the Corporation may recoup an officer's incentive-based or equity-based compensation where such officer's misconduct resulted in a financial statement restatement (see "Clawback Policy" below).

Readers are also referred to PFC's Statement of Executive Compensation for its disclosure entitled "Compensation Risk Management for 2019", to the Management Proxy Circular of Lifeco dated March 9, 2020 for its disclosure entitled "Compensation Risk Management" and to the Management Proxy Circular of IGM dated February 21, 2020, for its disclosure entitled "Compensation Risk Management".

"Clawback" Policy

The Corporation adopted in March 2018 a Clawback Policy for all officers (the "Subject Officers") of the Corporation who served in such capacities during the relevant financial period. The Clawback Policy provides that, where a Subject Officer's "misconduct" caused, or partially caused, a financial statement restatement, then the Board may require disgorgement of any or all incentive-based or equity-based compensation paid, awarded or granted to, vested in favour of, or exercised or settled by such Subject Officer during or after the financial period covered by the restatement, and after the effective date of the Clawback Policy. "Misconduct" under the Clawback Policy means fraud, gross negligence or intentional misconduct; or wilful breach of the provisions of the Corporation's Code of Conduct of sufficient gravity to justify the application of the Clawback Policy.

Equity-Based Compensation Anti-Hedging Policies

The NEOs of the Corporation and of its wholly owned subsidiaries including PFC are subject to the Corporation's Policy Concerning Insider Trading, which prohibits each NEO from, among other things, purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities (or equivalents such as DSUs, the value of which is derived from equity securities) granted by the Corporation or any of its wholly owned subsidiaries as compensation. NEOs also may not, directly or indirectly, with respect to any security of the Corporation or a publicly traded subsidiary (as defined in the policy) of the Corporation: [i] make a "short sale" of the security; [ii] sell a "call" or buy a "put", in respect of the security; or [iii] purchase the security for the purpose of selling it at a profit within a short period of time (which the policy provides would generally, depending on the circumstances, mean the purchaser intends to hold such securities for a minimum of two years).

Under the terms of PDSUs held by NEOs and DSUs held by NEOs in their capacity as Directors of the Corporation and its publicly traded subsidiaries (including PFC), the NEOs may not receive or obtain any amount for the purpose of reducing the impact, in whole or in part, of any reduction in the fair market value of the shares of the Corporation relating to such PDSUs or DSUs or, in the case of the subsidiaries, those of a related corporation (such as the Corporation).

The Human Resources Committee's Decision-Making Process

The Board and the Committee recognize the importance of executive compensation decisions to the management and shareholders of the Corporation and have given careful consideration to the process which is followed to make decisions. The Committee considers it important that total compensation (cash and all other employment-related benefits) reflect the Corporation's entrepreneurial roots, corporate culture and focus on long-term growth in shareholder value. The various elements of executive compensation, the relative weighting allocated to cash compensation versus equity-based incentives such as PSUs, PDSUs and options, and the mix of annual as opposed to long-term incentives, is not quantified by the Committee on the basis of a formulaic approach. The Committee reviews each compensation element in the context of the compensation mix (fixed versus variable) determined in accordance with the Corporation's executive compensation policy.

Benchmarking

To assist in determining competitive compensation for senior executive positions, the Committee reviews data from reference groups that include large financial services organizations, management holding companies and other large diversified companies. Because of the international scope and the size of the Power Group, the reference groups are composed of Canadian and U.S.-based companies, thus allowing the Corporation to offer its senior executives total compensation that is competitive in the North American market. Companies included in the reference groups are typically publicly traded, operate in the financial services industry and other sectors, are large in scope and have global operations. While performing its review, the Committee may consider some or all of the companies in the reference groups.

The following table presents the companies included in the reference group for 2019 and notes the selection criteria for which each benchmark company was considered to be relevant:

Company	Large in scope	Publicly traded	Financial services industry	Geography		
				Canada	U.S.	Global operations
Aflac Incorporated	●	●	●		●	●
Air Canada	●	●		●		●
American Express Company	●	●	●		●	●
American International Group, Inc.	●	●	●		●	●
Bank of Montreal	●	●	●	●		●
Bombardier Inc.	●	●		●		●
Brookfield Asset Management Inc.	●	●	●	●		●
Canadian Imperial Bank of Commerce	●	●	●	●		●
Canadian National Railway Company	●	●		●		
Capital One Financial Corporation	●	●	●		●	●
CGI Group Inc.	●	●		●		●
CIGNA Corporation	●	●	●		●	●
Citigroup Inc.	●	●	●		●	●
Fairfax Financial Holdings Limited	●	●	●	●		●
GE Capital Global Holdings, LLC	●		●		●	●
George Weston Limited	●	●		●		
Honeywell International Inc.	●	●			●	●
Loews Corporation	●	●	●		●	●
Manulife Financial Corporation	●	●	●	●		●
MetLife Inc.	●	●	●		●	●
National Bank of Canada	●	●	●	●		●
Onex Corporation	●	●		●		●
Prudential Financial Inc.	●	●	●		●	●
Royal Bank of Canada	●	●	●	●		●
SNC-Lavalin Group Inc.	●	●		●		●
State Street Corporation	●	●	●		●	●
Sun Life Financial Services	●	●	●	●		●
The Bank of Nova Scotia	●	●	●	●		●
The Hartford Financial Services Group, Inc.	●	●	●		●	●
The Toronto-Dominion Bank	●	●	●	●		●
The Travelers Companies, Inc.	●	●	●		●	●
Thomson Reuters Corporation	●	●		●		●
U.S. Bancorp	●	●	●		●	●

While performing its review, the Committee takes into account the compensation of comparable executive roles among companies in the reference group by considering the placement of the Corporation's NEO's total compensation approximately in the middle of the reference group's compensation policy ranges with exceptional performance allowing for total compensation towards the upper range of the reference group.

When determining the actual compensation of each NEO, the Committee takes into account several factors, including individual and corporate performance, the experience and competencies of the executive and the ability of the executive to execute the Corporation's strategies.

Annual Review by the Committee

The Committee reviews the total compensation of each NEO annually. The review covers all forms of compensation and the Committee considers a number of factors and performance indicators, including the long-term financial returns of the Corporation relative to that of other large corporations in the financial services industry and other sectors, which includes corporations in the reference groups above. The comparative evaluation is not based on a mathematical formula that integrates specific, weighted performance measures. Rather, the Committee qualitatively considers such factors in the context of the overall achievements of the Corporation, be they financial or strategic in nature.

The Committee obtained the recommendations of the former Co-CEOs in reviewing the compensation of each of the NEOs (other than the former Co-CEOs themselves), together with their evaluation of the performance of each such NEO for the year 2019.

COMPONENTS OF EXECUTIVE COMPENSATION

The principal components of the compensation program for the NEOs, each component's primary role in the compensation mix and how the components are linked together are presented in the table below:

Elements	Primary role	Link to other elements
Base Salary	Reflects skills, competencies, experience and performance appraisal of the incumbent	Influences annual incentive, long-term incentive, pension and some benefits
Annual Bonus	Reflects performance for the year	Influences pension
Long-Term Incentive (Stock Option Plan and Performance Share Unit Plan)	Promotes creation of sustained long-term value for the shareholders and links interests of NEOs with interests of the shareholders	None, except that the value of these elements is considered within the total compensation policy of the Corporation
Retirement Arrangements	Provide for competitive and appropriate replacement income upon retirement based on years of service with the Corporation	
Group Benefits	Provide competitive and adequate protection in case of sickness, disability or death	
Executive Perquisites	Provide a competitive compensation package and facilitate the effective performance of the incumbent's functions	

A–BASE SALARY

The Committee reviews and approves the base salary for each NEO taking into account each executive's responsibilities, experience and performance assessment. During the review, the Committee considers the total compensation of each NEO (including, where applicable, compensation received by the NEO from publicly traded subsidiaries of the Corporation in such NEO's capacity as a Director of the subsidiary, which compensation is determined solely by the Board or the Human Resources Committee of such subsidiaries and not by the Committee) to ensure it remains aligned with the Corporation's total compensation policy.

Base salary increases for 2019 are presented in the table below:

Name and principal position in 2019	Base salary rate 2018 [$]	Base salary rate 2019 [$]	Increase
Paul Desmarais, Jr. Chairman and Co-Chief Executive Officer	1,225,000	1,250,000	2.0%
André Desmarais Deputy Chairman, President and Co-Chief Executive Officer	1,225,000	1,250,000	2.0%
Gregory D. Tretiak Executive Vice-President and Chief Financial Officer	615,000	630,500	2.5%
Claude Généreux Executive Vice-President	769,000	788,000	2.5%

As the compensation of Mr. Généreux was determined by the Compensation Committee of PFC, please refer to PFC's Statement of Executive Compensation, for a discussion on Mr. Généreux's salary increase.

The Committee believes the increases for the other NEOs were in line with general increases granted in the market and with market competitive salaries for comparable positions, taking into account the total compensation for comparable positions at the companies in the reference groups above.

B–INCENTIVE COMPENSATION

The Committee believes it to be appropriate, in the context of a management holding company, to determine executive incentive compensation using a review and global assessment of the performance of the Corporation, in terms of financial results, achievements and strategic positioning, and specific individual contributions, among others, rather than adhering to a formulaic approach.

[I] ANNUAL BONUS

Individual incentives for NEOs are generally determined in consideration of the following performance indicators:

> the overall financial performance of the Corporation for the year in relation to the business plan, the prior year's results and the results of other members of the reference group;

> the contribution of the executive in initiating, developing and executing strategies and transactions that will create sustained value for shareholders over the long term;

> specific individual achievements or actions considered critical for the successful execution of the Corporation's business plan.

The amount of the individual incentives takes also into account the competitiveness of the total compensation of the NEOs having regard to the reference group above.

The 2019 annual incentive for the NEOs reflects their exceptional contributions toward specific strategic initiatives and particularly for the successful execution by the Corporation of a Substantial Issuer Bid in April 2019.

ANNUAL INCENTIVES FOR THE FORMER CO-CEOS

The Committee reviewed the former Co-CEOs performance toward the end of the fiscal year and used the results of the performance review, based on the former Co-CEO's agreed upon objectives for the year and the above indicators, to determine their annual incentive. As Co-CEOs of a diversified international management and holding company, the former Co-CEOs had a wide range of objectives and goals that were set for them by the Committee on an annual basis. The Committee did not use a formulaic approach to evaluate or to weigh the former Co-CEO's contribution toward one indicator versus another. Rather, the Committee applied its informed judgement as to the overall performance of the former Co-CEOs in order to complete its assessment.

The amount of the incentive is neither fixed nor defined as a percentage of annual salary, but rather is determined by reference to the compensation policy of the Corporation taking into account the competitiveness of the former Co-CEO's total compensation having regard to the reference group above.

The incentives paid for 2019 to the former Co-CEOs reflect a consideration of the above criteria and performance review and particularly for the successful execution by the Corporation of a Substantial Issuer Bid in April 2019.

ANNUAL INCENTIVES FOR THE OTHER NEOS

The annual incentive policy for Mr. Tretiak provides for a target annual incentive of 175 per cent of base salary. This target was revised from 150 per cent to align his total compensation with comparable positions at the companies in the reference groups above.

The annual incentive earned by Mr. Tretiak reflects his performance for the year, based on the performance indicators described above.

The annual incentives for the NEOs cannot exceed two times the target incentive unless otherwise determined by the Committee, in exceptional circumstances.

As the compensation of Mr. Généreux was determined by PFC, please refer to PFC's Statement of Executive Compensation for a discussion of Mr. Généreux's annual incentive.

[II] LONG-TERM INCENTIVES

The Committee initially determines an appropriate long-term incentive amount for each NEO. In determining the amount of the long-term incentives for a NEO, the Committee considers the amount and terms of the executive's outstanding long-term incentives, the executive's individual performance and contribution for the year and the alignment of the executive's total compensation with the Corporation's executive compensation policy. Reference is also made to the competitiveness of the NEO's compensation having regard to the reference groups described above.

The factors considered and the relative weighting allocated to these factors varies from year to year.

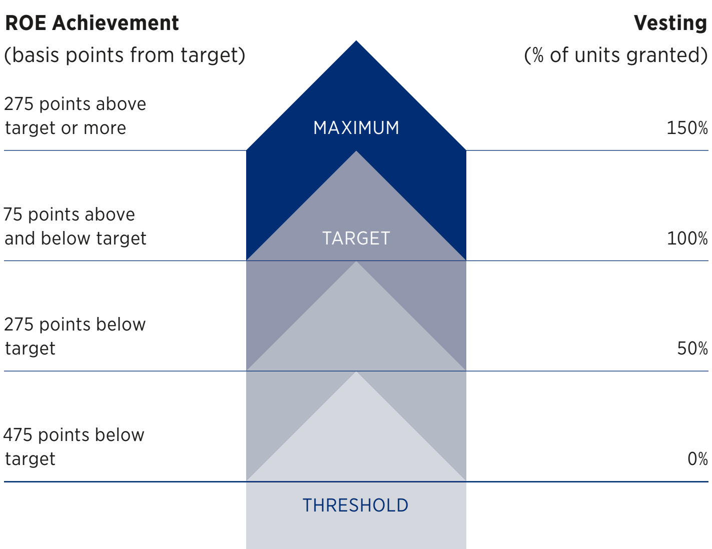
In 2013, the Corporation adopted a Performance Share Unit Plan, which provides for the grants of PSUs and PDSUs, to allow for flexibility in granting additional forms of long-term incentives to complement the use of stock options. With the exception of the former Co-CEOs, for whom the long-term incentive allocation is determined by the Committee, the other NEOs may elect to receive up to 50 per cent of their long term incentive grant in performance units (PSUs or PDSUs). Such election must be made in the calendar year preceding the long-term incentive grant. The Committee believes that a minimum 50 per cent allocation of options, combined with PSUs and PDSUs as applicable, is consistent with the Corporation's overall approach to executive compensation, as these instruments are designed to reward performance over the long-term and align the NEOs' interests with those of the Corporation's shareholders.

Stock options have a 10-year term and generally vest over 4 years at the rate of 50 per cent after 3 years and the remaining 50 per cent after 4 years. Option recipients only benefit if shareholder value increases over the long term. The Corporation sets option exercise prices on the basis of market prices, and only when NEOs are permitted to trade shares of the Corporation outside of a blackout period.

PSUs and PDSUs are share units, each entitling the NEO to a payment based on the value of a Subordinate Voting Share, subject to performance vesting conditions. PSUs and PDSUs granted to NEOs are subject to performance vesting conditions relating to the Corporation's return on equity ("ROE") over a three-year period pursuant to which PSUs and PDSUs may vest within a range of 0 per cent to 150 per cent. The number of PSUs or PDSUs included in the grant is determined based on dividing the aggregate grant date fair value of the long-term incentive plan amount allocated to PSUs or PDSUs by the market price of the underlying Subordinate Voting Shares on the grant date. PSUs and PDSUs are identical in all respects, and subject to the same performance conditions over the same performance period, except that the settlement and payment of vested PDSUs is deferred until the executive retires or otherwise leaves the employment of the Corporation whereas vested PSUs are settled and paid shortly after the applicable three-year performance period. PSUs and PDSUs, to the extent vested, are settled and paid out in the form of cash payments. The PSUs and PDSUs granted by the Corporation do not have a "floor" or minimum guaranteed level of vesting and therefore may expire without value and without any payout being made to the NEO if the specified minimum return on equity required for vesting is not met.

The vesting of the PSUs and PDSUs granted to the NEOs in 2019 is conditional on the achievement of the Corporation's target ROE over the three-year period 2019–2021. The following graph illustrates the ranges of ROE achievements and the corresponding vesting applicable to the PSUs and PDSUs granted in the year. PSUs and PDSUs vest on a pro rata basis when ROE achievement falls within a performance range.

2019 Grant



Unvested PSUs and PDSUs are forfeited in the case of resignation or termination with cause. In the case of death, retirement or termination without cause, unvested PSUs and PDSUs vest at 100 per cent except that the amount is prorated for the period of active employment during the performance period in the case of termination without cause.

PDSUs and stock options granted in 2019 reflect a consideration of the above criteria.

On February 13, 2020, in connection with the Reorganization, each DSU, PDSU and PSU of PFC remained as a DSU, PDSU and PSU of PFC, although authority to administer their governing plans was subsequently delegated to the Human Resources Committee of the Corporation, on its same terms and conditions except as amended to: (i) equitably adjust the performance vesting conditions attached to any PDSUs and PSUs to give effect to the Reorganization; (ii) adjust the number of DSUs, PDSUs and PSUs by multiplying each award by 1.05; and (iii) substitute PFC Common Shares by Subordinate Voting Shares of the Corporation, but subject to any adjustment required to that award by the relevant governing plan documentation or grant documentation as a result of the Reorganization.

C–RETIREMENT ARRANGEMENTS

The Corporation offers retirement arrangements to certain NEOs, including the SERP and other pension benefit arrangements. The main provisions of the pension benefit arrangements are described in more detail earlier in this Management Proxy Circular under "Executive Compensation – Retirement Plan Benefits". The purposes of the pension benefit arrangements are to:

> offer an adequate and competitive level of retirement income to the executive officers who have spent a significant portion of their career in service with the Corporation or its subsidiaries;

> provide an incentive for the NEOs to remain in service with the Corporation and to take a long-term view to corporate decision-making, through the vesting provisions of the pension benefit arrangements and their respective benefit accrual formula; and

> supplement registered pension plans benefits to assist in attracting officers.

There were no changes in 2019 to the terms of the SERP or any other pension benefit arrangements the Corporation has with the NEOs.

D–GROUP INSURANCE BENEFITS

The Corporation offers medical, dental, life, accidental death and dismemberment and short- and long-term disability insurance coverage to NEOs as well as to all employees of the Corporation under the same program.

E–SHARE PURCHASE PROGRAM

The Corporation offers a share purchase program to all employees of the Corporation, under which NEOs may purchase Subordinate Voting Shares of the Corporation through payroll deductions. Under the program, the Corporation makes a contribution equal to 50 per cent of the participant's contribution, up to a maximum of $30,000, which is used to purchase Subordinate Voting Shares of the Corporation.

F–EXECUTIVE PERQUISITES

The Corporation currently provides a limited number of perquisites to its NEOs, the nature and value of which, in the view of the Committee, are reasonable and competitive.

Compensation of New Chief Executive Officer

Effective February 13, 2020, upon closing of the Reorganization, Mr. R. Jeffrey Orr was appointed as President and Chief Executive Officer of the Corporation, replacing Messrs. Paul Desmarais, Jr. and André Desmarais, who retired on the same date as Co-Chief Executive Officers. Mr. Orr's compensation as Chief Executive Officer of the Corporation will be determined by the Human Resources Committee of Power. In the interim, Mr. Orr continues to be compensated on the same basis as was applicable in his previous role as Chief Executive Officer of PFC. Please refer to PFC's Statement of Executive Compensation for a discussion of Mr. Orr's compensation as Chief Executive Officer of PFC in 2019.

Minimum Equity Ownership Requirement for Senior Management

The Committee believes that members of the executive team should own a significant amount of equity of the Corporation to further align their interests with those of the Corporation's shareholders.

Accordingly, members of the Corporation's senior management, including the NEOs, are required to hold, within five years of their becoming a member of senior management of the Corporation, Shares, DSUs, PDSUs and/or PSUs of the Corporation with at least an aggregate minimum value determined as follows:

Minimum equity ownership requirement (% of annual base salary, except for the President and Chief Executive Officer)	
President and Chief Executive Officer[1,2]	$12,500,000
Executive/Senior Vice-Presidents and Chief Financial Officer[1]	300%
Vice-Presidents[1]	100%

[1] Determined based on the highest of the cost of acquisition of the Shares (or in the case of DSUs, PDSUs and PSUs, the stock price on the date of grant), and the market value of the Shares (and/or DSUs, PDSUs and PSUs).

[2] Effective February 13, 2020, Mr. R. Jeffrey Orr was appointed as President and Chief Executive Officer of the Corporation. On March 17, 2020, the Human Resources Committee set his minimum ownership requirement at $12,500,000, being the minimum ownership requirement that was applicable in his role as Chief Executive Officer of PFC.

All members of the Corporation's senior management meet, or are on track to meet, the Corporation's equity ownership requirement.

Members of the Corporation's senior management that have not attained the minimum equity ownership requirement within the requisite time period must thereafter elect to receive (failing which, they will be deemed to have elected to receive) 50 per cent of any annual long-term incentive grant made to them by the Corporation in the form of PDSUs and/or PSUs (at their discretion), in accordance with the terms of the Corporation's Performance Share Unit Plan.

Each of Messrs. Paul Desmarais, Jr. and André Desmarais is required to continue to meet the minimum equity ownership requirement of 700 per cent of their annual base salary that was applicable to them as Co-Chief Executive Officers for a period of two years following their retirement from the position of Co-CEO on February 13, 2020. The applicable minimum equity ownership requirement is calculated based on the respective former Co-CEO's annual base salary immediately prior to retirement.

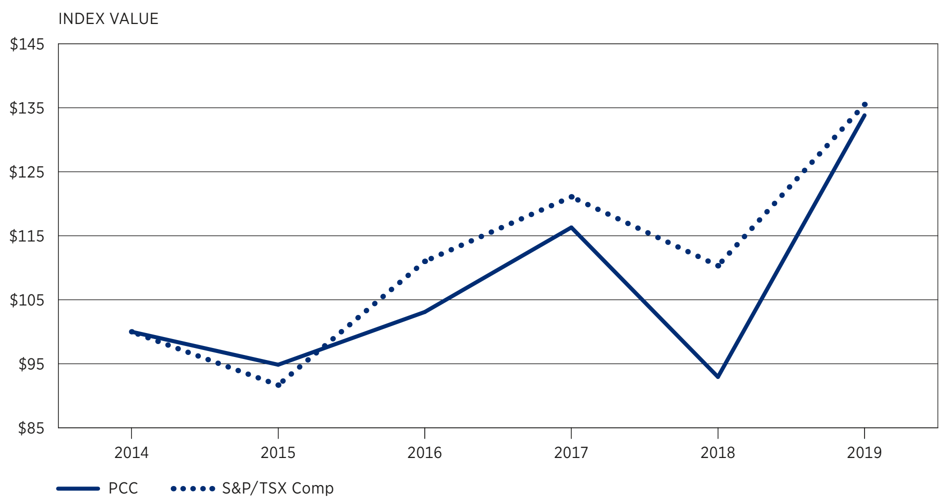
PERFORMANCE GRAPH

The following Performance Graph shows the yearly change in the cumulative total shareholder return on the Corporation's Subordinate Voting Shares compared with the S&P/TSX Composite Index, over the five-year period ended December 31, 2019.

The year-end values of each investment are based on share appreciation plus dividends paid in cash, with the dividends reinvested on the date they were paid.

Five-Year Cumulative Total Returns

Value of $100 invested on December 31, 2014.



For each NEO who has been with the Corporation throughout the last five years, the trend of the NEOs' cumulative total direct compensation is consistent with the trend of cumulative value earned by the Corporation's shareholders over the five-year period; however, the Corporation's determination of executive compensation is based upon the policies and procedures described above and is not based upon the total return of the Corporation's shares relative to any particular stock index.

APPOINTMENT OF AUDITORS

It is proposed to reappoint Deloitte LLP as auditors of the Corporation at the Meeting, or any adjournment thereof, to hold office until the close of the next Annual Meeting of Shareholders. Except where authority to vote in respect of the appointment of auditors is withheld, the representatives of management named in the accompanying form of proxy will vote the shares represented thereby for the appointment of Deloitte LLP as auditors of the Corporation. The resolution to reappoint Deloitte LLP will be approved, if passed, by a majority of the votes cast at the Meeting.

AMENDMENTS TO EXECUTIVE STOCK OPTION PLAN

At the Meeting, shareholders will be requested to consider and, if thought advisable, pass an ordinary resolution confirming certain amendments to the Power Executive Stock Option Plan.

In March 2020, the Board of Directors amended the Power Executive Stock Option Plan to authorize the grant of tandem share appreciation rights (a "TSAR" or "TSARs") in connection with options granted thereunder, at or after the time of grant of such options. A TSAR entitles the optionee to surrender to the Corporation, unexercised, the right to subscribe for a Subordinate Voting Share pursuant to the related option and to receive from the Corporation cash in an amount equal to the excess of the market value of a Subordinate Voting Share over the subscription price under the related option, net of any applicable withholding taxes and other required source deductions. For this purpose, the Power Executive Stock Option Plan define "market value" as the average of the high and low prices of Subordinate Voting Shares on the TSX on the immediately preceding trading day, or if two or more sales of Subordinate Voting Shares shall not have been reported for that day, the average of the bid and ask for the Subordinate Voting Shares on such day.

TSARs may be granted under the Power Executive Stock Option Plan in an amount equal to the number of Subordinate Voting Shares covered by the applicable option. Each exercise of a TSAR in respect of a Subordinate Voting Share covered by the option to which the TSAR is connected shall cancel that option in respect of such Subordinate Voting Share. Unexercised TSARs shall terminate when the related option is exercised or, if the option is not exercised, when such option ceases to be exercisable under the Power Executive Stock Option Plan.

The Power Executive Stock Option Plan provides that, subject to approval of such provision (the "Subject Provision") by shareholders, Subordinate Voting Shares subject to an option surrendered on exercise of a TSAR will be available for any subsequent options under the Power Executive Stock Option Plan. Accordingly, if the Subject Provision is approved by shareholders, the exercise of TSARs will reduce the need for further increases in the number of Subordinate Voting Shares reserved for options and will decrease dilution.

The text of the resolution approving the Subject Provision, to be submitted to shareholders at the Meeting, is set forth below (the "**Option Plan Amendment Resolution**"):

"RESOLVED that:

1. the amendment to the Power Executive Stock Option Plan adopted by the Board of Directors of the Corporation in March 2020 to provide that the number of Subordinate Voting Shares covered by an option granted under the Power Executive Stock Option Plan that have not been issued due to the exercise of a tandem share appreciation rights connected therewith, shall be available for any subsequent options under the Power Executive Stock Option Plan, is hereby approved; and
2. any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things, as such director or officer may determine necessary or advisable to carry out the terms of the foregoing."

The Board of Directors recommends that shareholders vote "for" the Option Plan Amendment Resolution. In order for the Option Plan Amendment Resolution to be passed, it must be approved by a majority of the votes cast at the Meeting in respect thereof. Unless the shareholder who has given such proxy has directed that the shares be voted "against" the Option Plan Amendment Resolution, the representative of the Corporation named in the enclosed form of proxy intend to cast the votes to which the shares represented by such proxy are entitled "for" the Option Plan Amendment Resolution.

The Subject Provision will come into effect if and when approved by the shareholders at the Meeting.

CONFIRMATION OF BY-LAW AMENDMENTS

At the Meeting, shareholders will be requested to consider and, if thought advisable, pass an ordinary resolution confirming the amendments of the Corporation's by-laws that were effected by the Board of Directors on March 18, 2020 (the "**Amended By-Law**").

The following summarizes the amendments to the Corporation's by-laws and is qualified in its entirety by reference to the full text of the Amended By-Law, a copy of which is available on the Corporation's website at www.powercorporation.com and filed under the Corporation's profile on SEDAR at www.sedar.com.

> to permit, but not require, meetings of shareholders to be held, in accordance with the *Canada Business Corporations Act*, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting and to provide that any shareholder vote may be held, subject to and in accordance with the *Canada Business Corporations Act*, partly or entirely by means of a telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility;

> to provide that the chair of a meeting of Directors shall not be entitled to a second or casting vote; and

> to implement changes of a "house-keeping" nature.

The text of the resolution confirming the Amended By-Law to be submitted to shareholders at the Meeting is set forth below (the "**By-Law Amendment Resolution**"):

"RESOLVED that:

1. the amendments to By-Law No. 1 of the Corporation approved by the Corporation's Board of Directors on March 18, 2020 (the "Amended By-Law"), are hereby approved, ratified and confirmed, and the Amended By-law is hereby ratified and confirmed as a by-law of the Corporation; and
2. any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things, as such director or officer may determine necessary or advisable to carry out the terms of the foregoing."

The Board of Directors recommends that shareholders vote "for" the By-Law Amendment Resolution. In order for the By-Law Amendment Resolution to be passed, it must be approved by a majority of the votes cast at the Meeting in respect thereof. Unless the shareholder who has given such proxy has directed that the shares be voted "against" the confirmation of the Amended By-Law, the representative of the Corporation named in the enclosed form of proxy intend to cast the votes to which the shares represented by such proxy are entitled "for" the By-law Amendment Resolution.

SHAREHOLDER PROPOSALS

Shareholder proposals received by the Corporation are attached as Schedule "A". As both proposals were withdrawn by the shareholder who made them, they will not be submitted to shareholder vote.

Pursuant to currently applicable corporate law, the date by which the Corporation must receive a proposal for any matter that a shareholder proposes to raise at the Annual Meeting of Shareholders of the Corporation to be held in 2021 is December 17, 2020.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation believes in the importance of good corporate governance and the central role played by directors in the governance process. The Corporation believes that sound corporate governance is essential to the well-being of the Corporation and its shareholders.

Power is an international management and holding company. It has had controlling shareholders since its beginnings in 1925. The Honourable Paul G. Desmarais held control of Power from 1968 until his death in October 2013, upon which control of the Corporation passed to the Desmarais Family Residuary Trust. As at March 18, 2020, following the Reorganization, the Desmarais Family Residuary Trust exercised, through holding entities, control over shares carrying approximately 50.76 per cent of the votes. See "Voting Shares and Principal Holders Thereof". Power is not an operating company and a substantial portion of its interests are located outside Canada, specifically in the United States, Europe and Asia.

The foregoing characteristics are important in any consideration of governance philosophy and practices as they apply to the Corporation.

In 2005, the CSA adopted *National Policy 58-201 – Corporate Governance Guidelines* (the "Policy") which sets forth a number of suggested guidelines on corporate governance practices (the "CSA Guidelines"). Under the Policy, issuers are encouraged to consider the CSA Guidelines in developing their own corporate governance practices.

In the Board's view, no single corporate governance model is superior or appropriate in all respects. The Board's approach reflects its belief that governance must be focused on substance rather than the application of generic processes and standardized rules and guidelines that do not account for the particular context of the issuer. Rigid, externally-generated checklists cannot replace real care, responsibility and personal engagement. Furthermore, any review of governance practices should include consideration of long-term returns to shareholders, as the Board believes this to be an important indicator of the effectiveness of a governance system.

The Board believes that the Corporation's governance system is effective and is appropriate to its circumstances, and that there are in place proper structures and procedures to ensure the Board's independence from management and to ensure that actual or potential conflicts of interest between the Corporation and its controlling shareholder are dealt with appropriately.

Independence of Directors

A–CURRENT APPLICABLE STANDARDS

The CSA Guidelines and *National Instrument 52-110 – Audit Committees* and *National Instrument 58-101 – Disclosure of Corporate Governance Practices* (the "Instruments") currently provide that a director is "independent" of an issuer if he or she has no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of the director's independent judgment. The Corporation's Board of Directors agrees with this approach to assessing director independence.

However, the Instruments further provide that a director is deemed to have such a direct or indirect relationship with an issuer (and thus not to be independent) if, among other things, the director is, or has been within the last three years, an executive officer or an employee of the issuer's parent corporation (i.e., the controlling shareholder). In the view of the Board, the determination of director independence is a question of fact that should be decided by the issuer's board of directors on a case-by-case basis based on actual relationships with an issuer's management (not relationships with an issuer's controlling shareholder) and without reference to any presumptions such as those which are currently contained in the Instruments. The provisions in the Instruments concerning independence determinations are overly-broad, as they encompass directors who have no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of the director's independent judgment. The provisions deeming directors that are related to an issuer's controlling shareholder to be non-independent are not an appropriate response to any potential governance concerns they are intended to address. Any concerns which may exist in a controlled company situation about conflicts of interest or self-dealing should be resolved directly through a committee of directors who are independent of the controlling shareholder. The governance model at the Corporation includes such a committee, the Related Party and Conduct Review Committee, which is discussed below in the section entitled "Resolution of Conflicts". Each of our publicly traded subsidiaries also has such a committee.

One of the most important functions of a board of directors is to oversee management in the drive to achieve long-term shareholder returns. A financially strong and long-term oriented controlling shareholder is aligned with the interests of other shareholders in this respect and can have a significant positive impact on a corporation's long-term returns, benefiting all shareholders and the corporation as a whole. The benefits can include the ability to encourage and support management in the pursuit of long-term strategies and the provision of directors who are experienced and knowledgeable about the business of the corporation. In the case of our corporate group, many of these attributes are provided through a governance model which has been developed over many decades, which provides for the inclusion of officers and directors of the Corporation or PFC on the boards of our subsidiaries. These Directors have no relationship with the subsidiaries other than as directors and shareholders, and the full-time job of a number of officers of the Corporation is to focus on and become knowledgeable about the affairs of our subsidiaries. Serving as a director of a subsidiary is an extension of the role as an officer of the parent shareholder and assists such person in discharging their corporate law duties. Meanwhile, the interests of the parent are well served by the experience of and expertise in the affairs of group companies brought to the parent by those officers who also serve on the boards of its subsidiaries. The presence of our officers and Directors on our subsidiaries' boards assists our board in the proper stewardship of our holdings, enriches the discussion, and enhances the quality of governance, at both our Board and our subsidiaries' boards.

Further, we believe it is appropriate for officers of the parent to be members of the subsidiary's key committees (i.e. Audit Committee, Human Resources Committee (except where such officers of the parent also serve as officers of the subsidiary), and Nominating Committee), to provide the knowledge and perspective of the controlling shareholder with respect to the matters under the responsibility of such committees. However, the CSA Guidelines discourage such a practice in respect of Nominating and Compensation Committees, while the Instruments prevent us from including an executive officer of the Corporation (e.g., our Chief Financial Officer) on the Audit Committees of our public subsidiaries to provide an important, value-added perspective and independent oversight with respect to financial matters at our public subsidiaries, for the benefit of all shareholders.

The practical effect of the current regime concerning director independence and board and committee composition under the Instruments and CSA Guidelines, if followed, would be to deny the Corporation, all of its shareholders, and its corporate group the benefit of this governance model and prevent the Corporation from participating fully in the oversight function at its subsidiaries.

The CSA has acknowledged the concerns expressed by some reporting issuers and other commentators as to whether the CSA's view of director independence is appropriate to companies such as the Corporation and its publicly traded subsidiaries which have a majority shareholder. The Corporation is disappointed that, despite the foregoing, the CSA concluded in 2018, following the publication of *Consultation Paper 52-404 Approach to Director and Audit Committee Member Independence*, that the current regulatory approach to such matters should be maintained.

B–ASSESSMENT OF INDEPENDENCE

The Board of the Corporation is currently composed of 12 Directors. In the Board's view, 9 Directors (constituting a 75 per cent majority of the Board) are independent within the meaning of the Instruments and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation.

The following table shows which Directors are independent and which are non-independent within the meaning of the Instruments, and the reason for non-independence of individual Directors, as applicable.

Director	Independent	Non-Independent	Reason for non-independence
Pierre Beaudoin	✓		
Marcel R. Coutu	✓		
André Desmarais		✓	Former Executive Officer within past three years (Former President and Co-CEO of Power)
Paul Desmarais, Jr.		✓	Former Executive Officer within past three years (Former Co-CEO of Power)
Gary A. Doer	✓		
Anthony R. Graham	✓		
J. David A. Jackson	✓		
Isabelle Marcoux	✓		
Christian Noyer	✓		
R. Jeffrey Orr		✓	Executive Officer of Power (President and CEO of Power)[1]
T. Timothy Ryan, Jr.	✓		
Emőke J.E. Szathmáry	✓		

[1] Mr. Orr was appointed as President and Chief Executive Officer of the Corporation on February 13, 2020.

Dr. Emőke J.E. Szathmáry will not be standing for re-election at the Meeting. Of the 13 individuals nominated for election at the Meeting, 10 Directors (constituting more than 75 per cent of the Board) are independent within the meaning of the Instruments and have no other relationships that could reasonably interfere with the exercise of their independent judgment in discharging their duties to the Corporation.

The following table shows which of the further individuals being proposed for election as a Director of the Corporation for the first time at the Meeting are independent and which are non-independent within the meaning of the Instruments, and the reasons for non-independence of such nominees, as applicable.

Director	Independent	Non-Independent	Reason for non-independence
Paula B. Madoff	✓		
Siim A. Vanaselja	✓		

C–MEETINGS OF INDEPENDENT DIRECTORS

The Chairman of the Board is responsible for ensuring that the Directors who are independent of management have opportunities to meet without management present. Such discussions are led by the Corporation's Lead Director, Mr. Anthony R. Graham, who provides feedback subsequently to the Chairman of the Board. All independent Directors are encouraged by the Chairman of the Board to have open and candid discussions with the Lead Director, the Chairman or with the CEO.

Pursuant to a policy relating to meetings of independent Directors at Board and Committee meetings, the Directors on the Board who are independent of management meet at every regularly scheduled Board meeting without members of management present. Accordingly, there were four such meetings held during 2019. The Audit Committee, the Related Party and Conduct Review Committee, and the Human Resources Committee are composed entirely of Directors who are independent both in the Board's view and within the meaning of the Instruments. Each of these committees have scheduled in-camera meetings without members of management as follows: Audit Committee – at least four times per year, and Related Party and Conduct Review Committee, and Human Resources Committee – at every meeting.

Following the retirement of Messrs. Paul Desmarais, Jr. and André Desmarais from their executive roles as Co-Chief Executive Officers of the Corporation on February 13, 2020, the Governance and Nominating Committee is now entirely composed of Directors who are not members of management of the Corporation. Furthermore, since 2020, the Governance and Nominating Committee, also holds an in-camera session at each meeting.

D–CHAIRMAN OF THE BOARD

As of February 13, 2020, following the Reorganization, the positions of Chief Executive Officer and Chairman of the Board are held by separate individuals. The role of the Chairman of the Board is to seek to ensure that the Board can fulfill its duties and responsibilities in an effective manner in accordance with the laws, regulations and policies governing the Corporation and, in doing so the Chairman shall (in consultation with the Deputy Chairman), among other things: provide leadership to foster the effectiveness of the Board; chair meetings of the Board and of shareholders; ensure that the quality and timeliness of information that goes to the Board is appropriate; ensure that delegated Committee functions are carried out and reported as necessary; facilitate, together with the Chairs of the Board Committees and the CEO, effective and transparent interaction between the Board and management; and ensure that the Corporation's business is conducted with a view to the best interests of the Corporation.

As the positions of Chairman and Deputy Chairman are held by former executive officers of the Corporation, the Board has implemented structures and procedures to provide assurance that the Board can act independently of management. In particular, the Board has a Lead Director and 75 per cent of the members of the Board are independent both within the meaning of the Instruments and in the Board's view. The Audit Committee, the Related Party and Conduct Review Committee and the Human Resources Committee are constituted entirely with Directors who are independent both in the Board's view and within the meaning of the Instruments. The majority of the Governance and Nominating Committee is composed of Directors who are independent both in the Board's view and within the meaning of the Instruments. Furthermore, no member of management of the Corporation is a member of the Governance and Nominating Committee.

E–LEAD DIRECTOR

Mr. Anthony R. Graham serves as the Lead Director of the Corporation. In fulfilling his responsibilities, the Lead Director chairs the meetings of independent Directors, provides input to the Chairman of the Board regarding the planning and organizing of the activities of the Board and provides input to the Chair of the Governance and Nominating Committee on the composition and structure of the Board and the formation and composition of Committees. The Lead Director is also responsible for reporting to the Chairman of the Board on the discussions of the independent Directors and facilitating the effective interaction between the independent Directors and management, in addition to any other functions as may be requested by the Chairman of the Board.

Resolution of Conflicts

It is the duty of the Board to supervise the management of the business and affairs of the Corporation with a view to the best interests of the Corporation, including its shareholders as a whole. In discharging this duty, the Board establishes procedures for the identification and resolution of conflicts that might arise between the interests of Power and the interests of its controlling shareholder.

Power has established a Related Party and Conduct Review Committee composed entirely of Directors who are independent of management and independent of the Corporation's controlling shareholder. The mandate of the Related Party and Conduct Review Committee is to review proposed transactions, if any, with related parties of the Corporation (including the controlling shareholder) and to approve only those transactions that it deems appropriate. The Committee ensures that any transactions between the Corporation and a related party are done at least at market terms and conditions.

For a more detailed description of the Related Party and Conduct Review Committee's mandate, see "Committees' Mandates and Membership".

Canada Life, a subsidiary of Lifeco, is a regulated financial institution. As a regulated financial institution, Canada Life is prohibited from entering into any transaction with a related party unless the transaction is permitted under the Insurance Companies Act. As required by law, Canada Life has a conduct review committee that has established procedures for the review of permitted related party transactions. In accordance with these procedures, Canada Life's conduct review committee reviews certain permitted proposed related party transactions to ensure that any such transactions are on terms and conditions at least as favourable to those companies as market terms and conditions. Canada Life's conduct review committee is composed of Directors who are independent of Canada Life's management and who are neither officers nor employees of the Corporation, PFC or any of their affiliates. Similarly, Lifeco and IGM have also established their own conduct review committees composed entirely of Directors who are independent of management and who are neither officers, employees nor Directors of Power or PFC.

For a description of the Board's procedures in respect of transactions involving Directors or officers of Power, see also "Ethical Business Conduct".

Board of Directors

The mandate of the Board, which it currently discharges directly or through one of the four Board Committees, is to supervise the management of the business and affairs of the Corporation, and includes responsibility for approving strategic goals and objectives, review of operations, disclosure and communication policies, oversight of financial reporting and other internal controls, corporate governance, Director orientation and education, senior management compensation and oversight, and Director nomination, compensation and assessment. The Board Charter is attached as Schedule "B".

Committees' Mandates and Membership

The mandates of the Board's four standing committees are summarized below, together with each committee's membership and the number of meeting held during the year ended December 31, 2019:

AUDIT COMMITTEE

The primary mandate of the Audit Committee is to review the financial statements of the Corporation and public disclosure documents containing financial information and to report on such review to the Board, to be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure documents that contain financial information, to oversee the work and review the independence of the external auditors, and to review any evaluation of the Corporation's internal control over financial reporting. The Audit Committee is also responsible for monitoring the implementation of, and compliance with, the Corporation's Global Anti-Bribery Policy. In performing its duties and exercising its powers, the Audit Committee considers and addresses the risks related to the establishment, maintenance and implementation of disclosure controls and procedures and internal control over financial reporting and the risks related to cyber security that would reasonably be expected to have a material effect on the Corporation.

Membership	Independent within the meaning of the Instruments
J. David A. Jackson (Chair)	✓
Marcel R. Coutu	✓
Gary A. Doer	✓
T. Timothy Ryan, Jr.	✓
Emőke J.E. Szathmáry	✓

Number of meetings: 5

HUMAN RESOURCES COMMITTEE

The primary mandate of the Human Resources Committee is to approve compensation policies and guidelines for employees of the Corporation, to approve compensation arrangements for executives of the Corporation, to recommend to the Board compensation arrangements for the Directors and for the CEO, to oversee the management of incentive compensation plans and equity compensation plans, to consider the implications of any risks associated with the Corporation's compensation policies and practices, and to review succession plans for senior management, taking into account the objectives of the Corporation's Diversity Policy.

Membership	Independent within the meaning of the Instruments
Anthony R. Graham (Chair)	✓
Marcel R. Coutu	✓
Isabelle Marcoux	✓

Number of meetings: 7

GOVERNANCE AND NOMINATING COMMITTEE

The primary mandate of the Governance and Nominating Committee is to oversee the Corporation's approach to governance issues, to recommend to the Board corporate governance practices consistent with the Corporation's commitment to high standards of corporate governance and to address potential risk related to governance matters. The Governance and Nominating Committee is responsible for identifying new candidates for Board nomination and, after considering the objectives of the Corporation's Diversity Policy, for recommending to the Board those candidates who possess the qualifications and skills to fulfill Board and Board Committees responsibilities. The Governance and Nominating Committee is also responsible for assessing at least annually the performance and effectiveness of the Board, Board Committees, and individual Directors to ensure that they are fulfilling their respective responsibilities and duties. The Committee has responsibility for monitoring the implementation of the Corporation's policy and strategy with respect to corporate social responsibility.

The Board believes that it is normal and appropriate, especially in the case of a holding company with a controlling shareholder, like the Corporation, to include Directors who are related to the controlling shareholder (in this case, Paul Desmarais, Jr. and André Desmarais) as members of the Governance and Nominating Committee, comprising less than a majority of the Committee's members, to provide the knowledge and perspective of the controlling shareholder with respect to the matters under the responsibility of the committee. Messrs. Paul Desmarais, Jr. and André Desmarais are no longer members of management since February 13, 2020 when they retired as Co-Chief Executive Officers of the Corporation.

Membership	Not a member of management	Independent within the meaning of the Instruments
Paul Desmarais, Jr. (Chair)	✓	
André Desmarais	✓	
Anthony R. Graham	✓	✓
Isabelle Marcoux	✓	✓
Christian Noyer	✓	✓

Number of meetings: 1

RELATED PARTY AND CONDUCT REVIEW COMMITTEE	Membership	Independent within the meaning of the Instruments
The primary mandate of the Related Party and Conduct Review Committee is to recommend to the Board procedures for the consideration and approval of transactions with related parties of the Corporation and to review and, if deemed appropriate, to approve such transactions. The Related Party and Conduct Review Committee considers transactions between the Corporation and the following parties: (i) Directors and officers of the Corporation or any of its affiliates (and spouse and minor children of such persons); (ii) the Corporation's controlling shareholder; and (iii) any entity, other than a subsidiary of the Corporation, in which a party listed in (i) above beneficially owns or controls (A) securities representing more than 10 per cent of the voting interests, or (B) securities representing more than 25 per cent of the equity interests. Generally, the Corporation and its subsidiaries are prohibited from entering into a related party transaction if the transaction is not on terms and conditions at least as favourable to the Corporation (or its subsidiaries) as market terms and conditions. In performing its duties and exercising its powers, the Related Party and Conduct Review Committee considers and addresses risks related to any proposed transactions with related parties of the Corporation.	Emőke J.E. Szathmáry (Chair) Pierre Beaudoin Christian Noyer Number of meetings: 3	✓ ✓ ✓

Risk Oversight

As a holding company, the Corporation has the risks associated with being a significant shareholder in its subsidiary operating companies. The subsidiaries' Boards are responsible for the risk oversight function at those companies. Some officers of the Corporation are members of these Boards and Board Committees and therefore participate in the risk oversight function at the operating company level in their role as directors of those companies. As an indirect shareholder of companies operating in the financial services sector (including subsidiaries regulated and supervised by the Office of the Superintendent of Financial Institutions and provincial regulators), the Corporation is well aware of the particular necessity for robust risk identification and risk management oversight.

As for risk oversight at the Corporation's level, the Board considers identifying and managing risk, and taking a long-term view when making investments and managing the assets of the Corporation, to be of imperative importance. This approach is inextricably engrained within the culture of the Corporation and is supported by the Corporation's controlling shareholder, which has placed a premium on enduring viability, stability, diversification and cash flow, rather than on quarterly results. The Corporation believes that value is best achieved through a prudent approach to risk and through a governance model that focuses on the active oversight of our investments. The Board has overall responsibility for monitoring the implementation and maintenance by management of appropriate policies and controls to manage the risks associated with the Corporation's businesses as a holding company. Additionally, while risk management is a general responsibility of each Committee of the Board, specifically in performing their respective duties, the Audit Committee addresses risks related to financial reporting, the Human Resources Committee considers risks associated with the Corporation's compensation policies and practices, the Governance and Nominating Committee oversees the Corporation's approach to appropriately addressing potential risks related to governance matters, and the Related Party and Conduct Review Committee considers risks related to any proposed transactions with related parties of the Corporation.

Strategic Planning

The Chief Executive Officer is responsible for developing the Corporation's proposed strategic plans, in light of emerging opportunities and risks and with a view to the Corporation's sustained profitable growth and long-term value creation, and for implementing the approved strategic plans. The Board of Directors is responsible for approving the long-term goals and objectives for the Corporation; and, after considering alternatives, approving the strategic plans developed by the Chief Executive Officer. The Board of Directors also monitors senior management's implementation of the approved plans; assesses the achievement of the Corporation's goals and objectives; reviews and approves on at least an annual basis management's financial plan; and reviews and approves any significant transactions and strategic capital management decisions regarding the Corporation.

Director Affiliations and Attendance

Additional information relating to Directors standing for election, including a list of all public companies and certain private companies, for which they serve as board members, as well as their attendance records for all Board and Committee meetings for the year ended December 31, 2019, can be found in the section entitled "Election of Directors – Nominees for Election to the Board" earlier in this Management Proxy Circular.

The Corporation believes that the interests of the Corporation, a holding company, are well served by the experience of and expertise in the affairs of its group companies that is brought to the Corporation by those Directors who also serve on the boards of the Corporation's subsidiaries. This governance model is grounded in the view that, essentially, the primary roles and responsibilities of directors of a holding company, like the Corporation, are to oversee the investments in subsidiaries and, unlike operational companies, there is no separate, significant operational role at the holding company. Serving as a director of the Corporation's subsidiary companies is considered to be an extension of their role as Directors of the Corporation and assists such individuals in discharging their duties by focusing on and being knowledgeable about the affairs of the companies in which the Corporation has a significant investment. The presence of the Corporation's Directors on the boards of subsidiaries in the Power Group also assists the Corporation's Board in the proper stewardship of its holdings and is viewed as enriching the discussion and enhancing the quality of governance at the Corporation's Board, as well as at the other Power Group boards on which they serve.

Outside of the Power Group, there is only one board of directors on which Directors of the Corporation serve together. Anthony R. Graham and Pierre Beaudoin both serve on the board of directors of Bombardier Inc.

Nomination of Directors

The Board has established a Governance and Nominating Committee, which has a number of responsibilities relating to governance and the nomination of candidates for election as Directors. The Committee is responsible for identifying new candidates for Board nomination and, after considering the objectives of the Corporation's Diversity Policy, for recommending to the Board those candidates who possess the qualifications, competencies, skills, business and financial experience, leadership roles, level of commitment and available time required of a Director to fulfill Board responsibilities.

Members of the Governance and Nominating Committee maintain an evergreen list of potential candidates and employ a skills matrix to assist with reviewing the skills and experience of director candidates and of the Board as a whole. The matrix, which is set forth below, outlines a complement of diverse qualifications, attributes, skills and experience that are viewed as being relevant to the proper functioning of the Board. This is not intended to be an exhaustive list of each Director's skills.

Director	Financial Literacy	Financial Services – Insurance	Financial Services - Investment/Asset Management	Accounting/Audit	Compliance Oversight	Risk Management	Strategic Planning/ Mergers & Acquisitions	Finance/ Capital Markets	International Business and Markets	Public Sector	Academia	Legal/Regulatory	Governance	Human Resources/ Executive Compensation	Communications/ Shareholder Relations	Corporate Social Responsibility	National or International Public Policy Developments or Trends
Pierre Beaudoin	✓			✓		✓	✓	✓	✓				✓	✓	✓	✓	
Marcel R. Coutu	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	✓	✓	✓
André Desmarais	✓	✓	✓			✓	✓	✓	✓	✓			✓	✓	✓		✓
Paul Desmarais, Jr.	✓	✓	✓			✓	✓	✓	✓		✓		✓	✓	✓	✓	✓
Gary A. Doer	✓				✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Anthony R. Graham	✓	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓			
J. David A. Jackson	✓	✓	✓			✓	✓	✓	✓	✓		✓	✓	✓			
Paula B. Madoff	✓		✓			✓	✓	✓	✓				✓				
Isabelle Marcoux	✓					✓	✓	✓				✓	✓	✓	✓	✓	
Christian Noyer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
R. Jeffrey Orr	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	✓	✓	✓
T. Timothy Ryan, Jr.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Siim A. Vanaselja	✓	✓	✓	✓		✓	✓	✓	✓				✓	✓	✓	✓	

The Committee recognizes that each Director will contribute differently to the Board and will each bring particular strengths in different areas of qualification. While the skills matrix is an important tool in assessing Board candidates, the Committee does not limit itself to considering only the specified areas of expertise or attributes in selecting Board members.

The Board also believes that diversity is important to ensure that Board members provide the necessary range of perspectives required to achieve effective stewardship of the Corporation. The Board recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role of women in contributing to diversity of perspective in the Boardroom. The Board is committed to cultivating a diverse and inclusive culture and nominating the best individuals to fulfill Director roles, based on merit and suitability.

The Corporation has a Diversity Policy, which includes provisions relating to diversity and the identification and nomination of directors. For purposes of the Diversity Policy, diversity includes, but is not limited to: age; experience; education; geography; gender; sexual orientation; disability; race, nationality, culture, language and other ethnic distinctions, including Indigenous people. The Diversity Policy further provides that in fulfilling its role in recommending to the Board candidates for Director nominations, members of the Governance and Nominating Committee consider candidates that are highly qualified based on their experience, education, expertise, judgment, personal qualities, and general and sector specific knowledge; consider diversity criteria (but not the level of representation of any particular Identified Group (as defined below) beyond women among other relevant criteria), when determining the optimum composition and balance for the Board; review potential candidates from a variety of backgrounds and perspectives, having in mind the Corporation's diversity objectives; and, in order to support the specific objective of gender diversity, ensure that appropriate efforts are made to include women in the list of candidates being considered for a Board position. There were two women, no "members of visible minorities", no "persons with disabilities" and no "Aboriginal peoples" (each as defined in the *Employment Equity Act* (Canada), the "Identified Groups") on the Board elected at the 2019 AGM, representing 17 per cent, 0 per cent, 0 per cent and 0 per cent, respectively, of the Directors of the Corporation at such date, the same number of each Identified Group as are nominated for election to the Board at the Meeting. On March 18, 2015 (being the date the Board adopted a Diversity Policy), there were two women on the Board, representing 17 per cent of the Directors of the Corporation at such date. The Diversity Policy provides that the Committee will assess the effectiveness of the Board nomination process at achieving the Corporation's diversity objectives on an annual basis. The Corporation's publicly traded subsidiaries, Lifeco and IGM, have publicly disclosed that there were 6 women (out of 22) and 5 women (out of 15) being nominated for election to their respective Board of Directors representing in total 30% of their combined nominees as well as one member of a visible minority representing 3 percent of their combined nominees. Lifeco and IGM do not have "persons with disabilities" or "Aboriginal peoples" within their group of Board nominees.

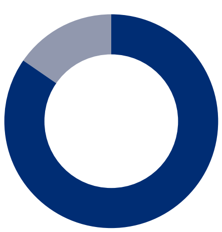
The Corporation has not adopted a target regarding the representation of members of each Identified Group on the Board as the Board believes that such arbitrary targets are not in the best interests of the Corporation.

The Governance and Nominating Committee and the Board believe that, in addition to the factors discussed above, continuity of membership is critical to the Board's efficient operation. Accordingly, the Board has not adopted policies imposing an arbitrary term or retirement age limit in connection with individuals nominated for election as Directors of the Corporation, as it does not believe that such limits are in the best interests of the Corporation. Such limits fail to take into account the special characteristics of issuers such as Power and its group companies, that operate in a highly complex and technical environment. In such a context, the Corporation believes that a lengthy Board tenure, not limited by arbitrary determinations, is vital to the Directors' understanding of the Corporation's diverse businesses, and those of its group companies, and to their bringing a substantive contribution to the Board. The Corporation's Governance and Nominating Committee annually reviews the composition of the Board, including the age and tenure of individual directors. The Board strives to achieve a balance between the desirability to have a depth of institutional experience from its members on the one hand, and the need for renewal and new perspectives on the other hand. This approach has served the Corporation well, and this is reflected in the increased turnover rate of Directors over the past few years, and in particular, the significant reduction of the size of the Board in 2012.

The combination and diversity of our Directors brings unique perspectives to the Board. The charts below provide a graphical representation of the gender and geographical breakdown of director nominees, as well as the tenure of non-executive director nominees.

Women on the Board

2/13
15.39%

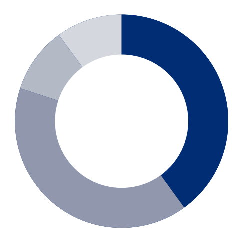


Geographic Diversity

- Québec: 5/13 › **38.46%**
- Ontario: 3/13 › **23.07%**
- Western Canada: 2/13 › **15.39%**
- United States: 2/13 › **15.39%**
- Europe: 1/13 › **7.69%**

Independent Directors Tenure

- 0 to 5 years: 4/10 › **40.00%**
- 6 to 10 years: 4/10 › **40.00%**
- 11 to 15 years: 1/10 › **10.00%**
- 16 to 20 years: 1/10 › **10.00%**



After considering the appropriate size of the Board and the qualifications and attributes that the existing Directors possess, including the level of representation on the Board by Directors who are independent, and after giving consideration to the Diversity Policy, the Governance and Nominating Committee may determine that it would be in the best interests of the Corporation to nominate an individual that is not already a director of the Corporation, for election to the Board. In such situations, the Governance and Nominating Committee identifies a list of targeted qualifications and attributes and conducts its own search by inviting suggestions for potential candidates from the Directors of the Corporation. The Committee also engages one or more qualified independent advisors to identify further qualified candidates, and requires that any such external advisor take account of the objectives of the Corporation's Diversity Policy.

The Committee has recommended that the 13 individuals set out under "Election of Directors – Nominees for Election to the Board" above be nominated for election as Directors of the Corporation at the Meeting.

The Corporation has adopted a form of proxy which gives shareholders the ability to vote for or withhold from voting for each individual Director proposed for election to the Board of Directors of the Corporation. The Board has not adopted a "Majority Voting Policy" (as defined by the TSX) for the election of Directors. The Board strongly believes that sound corporate governance is essential to the well-being of the Corporation. The adoption of measures such as a Majority Voting Policy, however, may be inappropriate when such measures do not recognize differences among companies, such as the presence of a controlling shareholder. It is the Board's view that a Majority Voting Policy for the election of Directors does not serve a useful purpose for the shareholders of a controlled company, like the Corporation, since the controlling shareholder will necessarily cast a majority of the votes to be cast in an election of such a company's directors. This view has been accepted by the TSX, which permits controlled companies, like the Corporation, to rely on an exemption from the requirement for TSX-listed companies to adopt majority voting policies. In addition, the current process for the election of Directors of the Corporation complies with corporate and securities laws.

Orientation and Continuing Education

Director orientation and education is conducted under the aegis of the Chairman of the Board. Newly elected Directors are provided with a comprehensive orientation as to the nature and operation of the business and affairs of the Corporation and the Corporation's major operating subsidiaries, as to the role of the Board and its Committees, and as to the contributions that individual Directors are expected to make. In order to orient new Directors as to the nature and operation of the Corporation's business, they are also given the opportunity to meet with members of the Corporation's executive management team and with members of the executive management teams of the Corporation's major operating subsidiaries to discuss the Corporation's businesses and activities. Directors are periodically updated in respect of these matters including by way of quarterly presentations to the Board (from time to time, these presentations are made by an operating subsidiary's chief executive officer) at Board and Committee meetings, and working Board dinners, regarding the Corporation's major operating subsidiaries and operating segments thereof in addition to the presentations by the Corporation's auditors and other speakers. Also, Directors receive a comprehensive package of information prior to each Board and Committee meeting. As noted above, certain of the Corporation's Directors also serve as Directors of the Corporation's public and private company investments. Finally, Directors have access to the Corporation's senior management and employees on an ongoing basis throughout their mandate.

Assessment of Directors

The Governance and Nominating Committee is responsible for assessing the performance and effectiveness of the Board, Board Committees, and individual Directors from time to time, with a view to ensuring that they are fulfilling their respective responsibilities and duties. An evaluation is conducted at least annually to assist in assessing the overall performance of the Board and the Board Committees. Although the scope and focus of such review may vary from year to year, the review includes a confidential Board effectiveness survey, which is administered by the Corporation's external legal counsel and completed by each of the Directors, soliciting feedback from Directors on matters including the operation of the Board and its Committees, the effectiveness of Board processes and the Board's relationship to management, the adherence by the Board and the Governance and Nominating Committee to the Diversity Policy in nominating individuals for election to the Board, the adequacy of information provided to Directors, Board structure and agenda planning for Board and Board Committee meetings. The aggregated, anonymous survey results are reviewed by the Governance and Nominating Committee. The Chairman of the Committee reports the findings, including key recommendations, to the full Board for discussion.

Chair, Lead Director and CEO's Position Descriptions

The Board has approved written position descriptions for the Chairman of the Board and for the Chair of each Board Committee. In general terms, the Chairman of the Board and the Chairs of the Board Committees are responsible for ensuring that the Board or the Committee is able to fulfill its duties and responsibilities in an effective manner, for planning and organizing the activities of the Board or of the Committee, for ensuring that delegated Committee functions are carried out and reported as necessary, for facilitating effective interaction with management, and for engaging outside advisers where necessary.

The Board has approved a written position description for the Chief Executive Officer. In general terms, the CEO is responsible for managing the strategic and operational performance of the Corporation in accordance with the goals, policies and objectives set from time to time by the Board, including developing for the Board's approval the Corporation's strategic plans and initiatives with a view to the Corporation's long-term profitable growth and success and presenting the Corporation's annual financial plan to the Board. The CEO is also responsible for overseeing the Corporation's investments in its subsidiaries and affiliates, facilitating, together with the Chairs of the Board and its Committees, effective and transparent interaction between management and the Board, for managing the operations of the Corporation, for assisting the Board with succession planning, and for representing the Corporation to its major stakeholders.

The Board has also approved a written position description for the Lead Director. See "Independence of Directors – Lead Director".

Succession Planning

The Board is responsible for overseeing the succession planning processes of the Corporation with respect to senior management positions. The Corporation's succession planning process, which is tailored to its particular circumstances as a holding company with a relatively small management team, includes the identification and consideration of suitable short- and long-term candidates to hold the applicable roles, on both an interim and permanent basis. The Board has mandated the Human Resources Committee to review at least annually, together with the Chief Executive Officer, and approve, the succession plans for the Chief Executive Officer and the other NEOs of the Corporation, with a view to ensuring the continuity of leadership required by the Corporation for the future. Candidates are considered based on various factors, including (where relevant) executive experience, market and industry expertise, geographic location, familiarity with the Corporation's and its subsidiaries' businesses, past performance with the Corporation, as well as past successes in achieving particular corporate goals. The Human Resources Committee also maintains a contingency plan for emergency situations related to illness, disability or other unplanned absences with respect to the Chief Executive Officer and other NEO positions. In addition, the Human Resources Committee periodically reviews the Corporation's talent management initiatives and monitors the development certain employees identified to the Human Resources Committee by the Board, in accordance with succession plans.

Executive Officer Diversity

The Corporation has a Diversity Policy that outlines the Corporation's approach to achieving and maintaining greater diversity on the Corporation's senior management team. The policy provides that in fulfilling their roles of considering candidates for senior management appointments, the Chief Executive Officer of the Corporation considers candidates that are highly qualified based on their experience, education, expertise, judgment, personal qualities, and general and sector-specific knowledge; and review potential candidates from a variety of backgrounds and perspectives, having in mind the Corporation's diversity objectives, including the specific objective of gender diversity. The Corporation's Diversity Policy provides that the Chief Executive Officer of the Corporation will assess the effectiveness of the senior management appointment process at achieving the Corporation's diversity objectives on an annual basis. Furthermore, the policy provides that the Corporation will engage, from time to time, with senior management of the Corporation's publicly traded subsidiaries, through its representation on their boards, on the implementation of their respective diversity policies relating to the senior management appointment process.

The Corporation is committed to cultivating a diverse and inclusive culture, selecting the best person to fulfill senior management roles based on merit and suitability. The Corporation has not adopted a target regarding members of the Identified Groups in executive officer positions as such arbitrary targets are not in the best interests of the Corporation. The Board believes that diversity is important to ensure that the profiles of senior management provide the necessary range of perspectives, experience and expertise required to achieve effective management. The Board recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role of women in contributing to diversity of perspective in senior management roles. Accordingly, the Corporation offers a variety of internal initiatives aimed at its female employees, including flexible work arrangements and career advancement counselling. The Corporation has also adopted human resource policies aimed at reducing barriers to gender diversity in the Corporation's senior ranks. Additionally, the Corporation sponsors the participation of its high performing female employees in external programs, including conferences and higher education programs, in order to prepare female employees for advancement to senior positions.

As was the case last year women, "members of visible minorities", "persons with disabilities" and "Aboriginal peoples" (each as defined in the *Employment Equity Act* (Canada)) do not currently occupy any of the executive officer positions with the Corporation, although the Corporation has two female officers and three officers who are members of visible minorities. Furthermore, 29 per cent of executive and management roles are held by women. The Corporation's publicly traded subsidiaries, Lifeco and IGM, have publicly disclosed that women currently hold five and six executive officer positions, respectively, at such subsidiaries (including their respective principal subsidiaries). As a result, women hold a total of eleven executive officer positions within the Corporation's group companies (including its publicly traded subsidiaries and their respective principal subsidiaries), representing 30 per cent of the total number of executive officer positions at such entities. Currently, there are 4 "members of visible minorities" (representing 11 per cent of the executive officers of the Corporation and its publicly traded subsidiaries), no "persons with disabilities" and one "Aboriginal peoples" (representing 3 per cent of the executive officers of the Corporation and its publicly traded subsidiaries) (each as defined in the *Employment Equity Act* (Canada)) in executive officer positions at the Corporation and its publicly traded subsidiaries.

Shareholder Engagement

Power engages with its shareholders on an ongoing basis, in a variety of ways, tailored to its particular context as a holding company. The Corporation communicates with shareholders and other stakeholders through various channels, including news releases and other continuous disclosure documents, Power's corporate websites and periodic meetings with its institutional investors. By engaging with a broad range of stakeholders through open dialogue, both formally and informally, senior management gains a better understanding of key topics and can make better decisions on important issues. Shareholders are invited to attend Power's annual meeting of shareholders where they have the ability to ask questions. In addition, Power's website provides extensive information about the Board, the Board Committees and their charters, and Power's governance framework. The Corporation's Corporate Secretary and Treasury departments are readily available to respond to shareholder inquiries.

Ethical Business Conduct

The Board has adopted a written Code of Business Conduct and Ethics (the "Code of Conduct") that governs the conduct of the Corporation's and its wholly owned subsidiaries' Directors, officers and employees. A copy of the Code of Conduct is available on SEDAR (www.sedar.com), or may be obtained by contacting the Corporation's General Counsel and Secretary.

The Board oversees compliance with the Code of Conduct through the Corporation's General Counsel and Secretary who monitors compliance with the Code of Conduct. Directors, officers and employees who believe that a violation of the Code of Conduct or any law, rule or regulation has been or is likely to be committed have an obligation to promptly report the relevant information to an appropriate supervisor or, in the case of Directors and senior officers, to the General Counsel and Secretary. Alternatively, in any case, the violation or potential violation may be reported to the Chairman, the Chief Executive Officer or any member of the Audit Committee, as appropriate, in accordance with the Corporation's procedures.

Directors and employees of the Corporation are required to confirm annually and officers of the Corporation are required to confirm quarterly, their understanding of, and agreement to comply with, the Code of Conduct (which contains the Corporation's conflict of interest policy). There have been no material change reports filed that pertain to any conduct of a Director or executive officer that constitutes a departure from the Code of Conduct.

In order to ensure that Directors exercise independent judgment in considering transactions and agreements in respect of which a Director or an executive officer has a material interest, the Director or executive officer having a conflict of interest must declare his/her interest and, if requested by any other Director, excuse himself or herself from the meeting during the consideration of that particular matter. Such Director may not vote on such a matter.

The Corporation has also a Third Party Code of Conduct to set forth its expectations of all third parties in their dealings with, or on behalf of the Corporation, as well as a Corporate Social Responsibility Statement and an Environmental Policy which, together with the Third Party Code of Conduct, are available on its dedicated Corporate Social Responsibility website at www.powercorporationcsr.com. The Corporation has also adopted an Anti-Bribery Policy.

In addition, the Corporation has a Related Party and Conduct Review Committee, the role of which is described earlier in this Management Proxy Circular.

ADDITIONAL INFORMATION

Upon request to the Secretary of the Corporation at 751 Victoria Square, Montréal, Québec, Canada H2Y 2J3, the Corporation shall provide to any person or company, one copy of: [i] the Corporation's annual information form ("AIF"), together with any document, or the pertinent pages of any document, incorporated therein by reference; [ii] the financial statements of the Corporation for its most recently completed financial year in respect of which such financial statements have been issued, together with the report of the auditors thereon, management's discussion and analysis ("MD&A") and any interim financial statements of the Corporation issued subsequent to the annual financial statements together with the related MD&A; and [iii] the information circular of the Corporation in respect of the most recent Annual Meeting of its Shareholders. The Corporation may require the payment of a reasonable charge when the request is made by someone who is not a securityholder thereof, unless securities of the Corporation are in the course of a distribution pursuant to a short-form prospectus, in which case such documents will be provided free of charge.

Financial information is provided in the Corporation's financial statements and MD&A for its most recently completed financial year.

Information relating to the Audit Committee can be found in the section of the AIF entitled "Audit Committee".

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

APPROVAL BY DIRECTORS

The contents and the sending of this Management Proxy Circular have been approved by the Board of Directors.

Signed,

Stéphane Lemay
Vice-President, General Counsel and Secretary

Montréal, Québec
March 18, 2020

Schedule A: Shareholder Proposals

POWER CORPORATION OF CANADA

The Corporation is required by applicable law to attach the following proposals, and the related supporting statements, to the Management Proxy Circular. The Corporation has, and assumes, no responsibility for the content of such proposals and related supporting statements, including the opinions expressed or the accuracy of any statements contained therein.

The Mouvement d'éducation et de défense des actionnaires ("MÉDAC"), 82 Sherbrooke Street West, Montréal, Québec, H2X 1X3 had submitted the following two shareholder proposals for consideration at the Meeting. Following discussions between the Corporation and MÉDAC, it was agreed to include these two proposals in the Management Proxy Circular, for information purposes only as they will not be submitted to shareholders vote.

Proposal 1

NOT SUBMITTED TO A SHAREHOLDER VOTE

BREAKDOWN OF VOTING RESULTS ACCORDING TO CLASS OF SHARES

It is proposed that the Corporation report voting results separately according to class of shares, i.e. whether holders have one vote or multiple votes.

ARGUMENTS

At the last annual general meeting, our proposal was supported by over 25% of the votes cast, a significant increase over the past two years when it received approximately 20% support. Not counting the multiple voting shares held by Pansolo through its control shares, we note that close to 70% of the holders of common shares are in favour of the separate reporting of results by class of shares.

We are submitting this proposal again because such information would allow minority shareholders to better follow the actions taken by the corporation to meet their expectations and would promote greater dialogue between the two classes of shareholders. It could even increase the loyalty of minority shareholders and lead to greater harmony and mutual trust, which would be useful during the hard times any organization may face.

Our experience over the past few years shows that the holders of the two types of shares might not have the same concerns. A few cases in point are the implementation of say-on-pay for executive compensation, renewal of the term of office of one or more directors and better gender balance on Boards.

As mentioned in our recent proposals, multiple-voting shares offer certain advantages for both dominant and minority shareholders provided the legal framework, principles of good governance and disclosure policies adequately protect minority shareholders.

BOARD AND MANAGEMENT STATEMENT

The Board has determined to accept the shareholder proposal presented by MÉDAC and the Corporation will provide a breakdown of the voting results according to class of voting shares with respect to the votes cast at the Meeting in its report of voting results to be made available on SEDAR (www.sedar.com) following the Meeting.

As agreed with the MÉDAC, this proposal has been withdrawn and is not being submitted to a shareholder vote.

Proposal 2

NOT SUBMITTED TO A SHAREHOLDER VOTE

"SAY ON PAY"

It is proposed that the Board of Directors adopt a policy to give shareholders a "say on pay" for executive compensation.

ARGUMENTS

At the last annual general meeting, this proposal garnered 23.30% support, an increase over the two previous years (21.5% in 2018 and 20% in 2017). Not counting the multiple voting shares held by Pansolo through its control shares, we note that close to 70% of the holders of common shares are in favour of setting up "say on pay". MÉDAC has been asking for shareholders to be given a say on pay for close to a decade.

We note the support of two large institutional investors for this practice, which has been adopted by close to 80% of the companies making up the S&P/TSX 60 and over 250 Canadian companies.

As we have said before, common shareholders are fully capable of understanding the ethical and social justice issues raised by compensation policies.

Pay policies are good indicators of a corporation's values and shareholders have the necessary knowledge to express an opinion in this regard. It is counter-productive for their only option to be to show their disapproval by selling their shares, which could be a costly decision in some situations.

BOARD AND MANAGEMENT STATEMENT

The Board has determined to accept the shareholder proposal presented by MÉDAC and will adopt a voluntary policy that, commencing in 2021, the Management Proxy Circular distributed by the Corporation in advance of each annual shareholder meeting will ask shareholders to consider a non-binding advisory resolution on the Corporation's approach to executive compensation. The Corporation will disclose the results of the advisory vote as a part of its report on voting results for the meeting. Based on the Corporation's adoption of such a policy and its decision to hold an annual say-on-pay vote commencing in 2021, MÉDAC agreed to withdraw its shareholder proposal related to say-on-pay.

As agreed with the MÉDAC, this proposal has been withdrawn and is not being submitted to a shareholder vote.

Schedule B: Board of Directors Charter

POWER CORPORATION OF CANADA

Section 1. Membership

The Board of Directors (the "Board") shall consist of such number of directors, not greater than the maximum nor less than the minimum set out in the articles of Power Corporation of Canada (the "Corporation"), at least a majority of whom shall be, at the time of each Director's election or appointment, resident Canadians.

Section 2. Procedural Matters

In connection with the discharge of its duties and responsibilities, the Board shall observe the following procedures:

2.1 **Meetings >** The Board shall meet at least four times every year, and more often if necessary, to discharge its duties and responsibilities hereunder. The Board may meet at any place within or outside of Canada.

2.2 **Advisers >** The Board may, at the Corporation's expense, engage such outside advisers as it determines necessary or advisable to permit it to carry out its duties and responsibilities.

2.3 **Quorum >** A quorum at any meeting of the Board shall be as fixed from time to time by the Board, but unless so fixed a majority of the Directors shall constitute a quorum.

2.4 **Secretary >** The Chair (or, in the absence of the Chair, the acting Chair) of the Board shall appoint a person to act as secretary of meetings of the Board.

2.5 **Calling of Meetings >** A meeting of the Board may be called by the Chair of the Board, a Deputy Chair, the President or a majority of the Directors, on not less than 48 hours' notice to the members of the Board, unless otherwise provided in the by-laws specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Board waive notice. If a meeting of the Board is called by anyone other than the Chair of the Board, the person(s) calling such meeting shall so advise the Chair of the Board.

2.6 **Board Meeting Following Annual Meeting >** As soon as practicable after each annual meeting of shareholders there shall be held, without notice, a meeting of such of the newly elected Directors as are then present, provided that they constitute a quorum, at which meeting the Directors may appoint officers, may appoint the Chair of the Board, may appoint members to and the Chair of each Board Committee, and may transact such other business as comes before the meeting.

2.7 **In-Camera Sessions >** At every regularly-scheduled meeting, the members of the Board who are independent of the Corporation's management shall meet without members of management present, with such in-camera session to be chaired by the Lead Director.

Section 3. Duties and Responsibilities

The Board shall supervise the management of the business and affairs of the Corporation and shall exercise, as appropriate, the powers vested in and exercisable by the Board pursuant to applicable laws and regulations. Without limiting the generality of the foregoing, the Board shall have the following duties and responsibilities, which it may discharge either directly or indirectly through one or more Committees of the Board. In fulfilling its duties and responsibilities, the Board will rely on the information, advice and recommendations provided to it by management, but will exercise independent judgment:

3.1 **Strategic Planning >** The Board shall approve strategic goals and objectives for the Corporation and shall consider management's financial plan, which will be subject to approval by the Board.

3.2 **Review of Operations >** The Board shall:

[a] monitor the implementation by management of the approved financial plan and shall monitor financial and operating results and other material developments;

[b] monitor the implementation and maintenance by management of appropriate systems, policies, procedures and controls to manage the risks associated with the Corporation's businesses and operations;

[c] approve significant acquisitions and dispositions, financings and other capital market transactions, capital management decisions, and other significant business and investment decisions and transactions; and

[d] review and monitor those operational issues, including those of a regulatory nature, which, in the view of management or the Board may have a potential material impact on the Corporation's ongoing business, affairs and/or reputation.

3.3 **Disclosure and Communication Policies >** The Board shall:

[a] approve policies with respect to the accurate, timely and full public disclosure of material information while maintaining confidentiality where necessary and permitted, and shall, where required, review specific disclosure documents; and

[b] approve appropriate communication policies respecting the communication of information to the Corporation's stakeholders and regulators.

3.4 **Financial Control >** The Board shall monitor the integrity of the Corporation's financial reporting systems and the effectiveness of the Corporation's internal controls and management information systems by:

[a] overseeing the establishment and maintenance by management of appropriate financial control systems;

[b] reviewing reports provided by management on material deficiencies in, or material changes to, internal controls;

[c] reviewing and approving the Corporation's annual and interim financial statements and annual Management's Discussion and Analyses, the Corporation's Annual Information Forms, and other public disclosure documents containing financial information requiring board approval; and

[d] overseeing compliance with applicable audit, accounting and reporting requirements.

3.5 Corporate Governance > The Board shall oversee the development of the Corporation's approach to corporate governance, including the development of corporate governance policies, principles and guidelines, and shall approve such policies, principles and guidelines, as it deems appropriate.

3.6 Senior Management > The Board shall:

[a] approve a position description for, and the appointment of, the President and Chief Executive Officer and approve his or her compensation in accordance with the Charter of the Human Resources Committee;

[b] approve the appointment of senior management (taking into account the objectives of the Corporation's Diversity Policy), approve their compensation, and oversee the evaluation of their performance;

[c] approve incentive compensation plans, equity compensation plans and other compensation plans for senior management, as appropriate; and

[d] oversee the succession planning and talent management processes of the Corporation with respect to senior management.

3.7 Clawback Policy > The Board shall administer the Corporation's Clawback Policy.

3.8 Director Orientation and Education > All newly appointed Directors shall be provided with an orientation as to the nature and operation of the business and affairs of the Corporation and as to the role of, and expectations as to the contributions to be made by, the Board, of Board Committees and of each Director, and existing Directors shall be periodically updated in respect of the foregoing.

3.9 Code of Conduct > The Board shall support management in seeking to maintain a culture of integrity throughout the Corporation. The Board shall adopt, and subsequently oversee the implementation of, a code of business conduct and ethics (the "Code") to promote integrity and deter wrongdoing that is applicable to Directors, officers and employees of the Corporation and wholly owned subsidiaries and that addresses, among other things, conflicts of interest (including procedures to identify and resolve conflicts and potential conflicts), protection and proper use of corporate assets and opportunities, confidentiality and use of confidential information, accounting complaints, fair dealing with all parties, compliance with applicable laws, rules and regulations and the reporting of illegal or unethical behaviour. The Board shall also require management to establish processes and procedures to monitor compliance with the Code.

3.10 Chair of the Board > The Board shall approve a position description for the Chair of the Board.

3.11 Lead Director > The Board shall approve a position description for the Lead Director, if any.

3.12 Board Committees > The Board shall:

[a] establish an Audit Committee, a Related Party and Conduct Review Committee, a Human Resources Committee, and a Governance and Nominating Committee, and may establish such other committees as it deems advisable to assist it in discharging its duties under this Charter, and may establish committee charters and otherwise delegate to those committees such duties and responsibilities as may be permitted by law and as it deems necessary or advisable; and

[b] approve position descriptions for the Chair of each Board Committee.

3.13 Director Nomination, Compensation and Assessment > The Board shall:

[a] nominate and recommend to the shareholders candidates for election to the Board, taking into account the objectives of the Corporation's Diversity Policy;

[b] approve compensation arrangements for the Directors, for the Chair of the Board, for the Lead Director and for the Chairs and members of Board Committees; and

[c] assess, on a regular basis, the structure, composition, size, independence, effectiveness and contribution of the Board, of all Committees of the Board, and of the Directors.

Section 4. Access to Information

The Board shall have access to all information, documents and records of the Corporation that it determines necessary or advisable to permit it to carry out its duties and responsibilities.

Section 5. Review of Charter

The Board shall periodically review this Charter, and approve any changes that it deems appropriate, and be responsible for approving any changes to Committee Charters recommended by the relevant Committee.

Power Corporation of Canada
751 Victoria Square
Montréal, Québec, Canada H2Y 2J3
www.powercorporation.com