



For in-force policies
formerly belonging to the

Great-West Life
participating
account

Historical investment- related performance

On Jan. 1, 2020, we combined the Great-West Life, London Life and Canada Life Canadian open participating accounts to form the new Canada Life™ combined open participating account.

This report provides historical investment-related performance for the Great-West Life participating account prior to the amalgamation on Jan. 1, 2020

Dividend scale interest rates (DSIRs) shown are applicable for in-force policies formerly belonging to the Great-West Life participating account, issued between September 1968 and up to and including Dec. 31, 2019.

The dividend scale interest rate for in-force policies issued before Jan. 1, 2020

For in-force policies formerly belonging to the Great-West Life participating account

The dividend scale interest rate is used to determine the amount of participating policyowner dividends that come from participating account investments and other investment-related factors. The dividend scale interest rate:

- Incorporates the smoothed investment experience of assets backing participating account liabilities for the most recent measurement period
- Doesn't include the return on assets backing the participating account surplus
- Includes the smoothed gains¹ and losses from prior periods
- May change depending on investment experience
- Also reflects other investment-related factors contributing to participating account earnings, for example policy loans.

In addition to the dividend scale interest rate, there are other factors that play a role in calculating policyowner dividends. For example, insurance claims (mortality), terminations, expenses, taxes, and other factors.

1. The smoothing method is subject to change without notice.

Historical performance (at Dec. 31, 2021)*

A low standard deviation means the range of performance has been narrow. This indicates there has been low volatility.

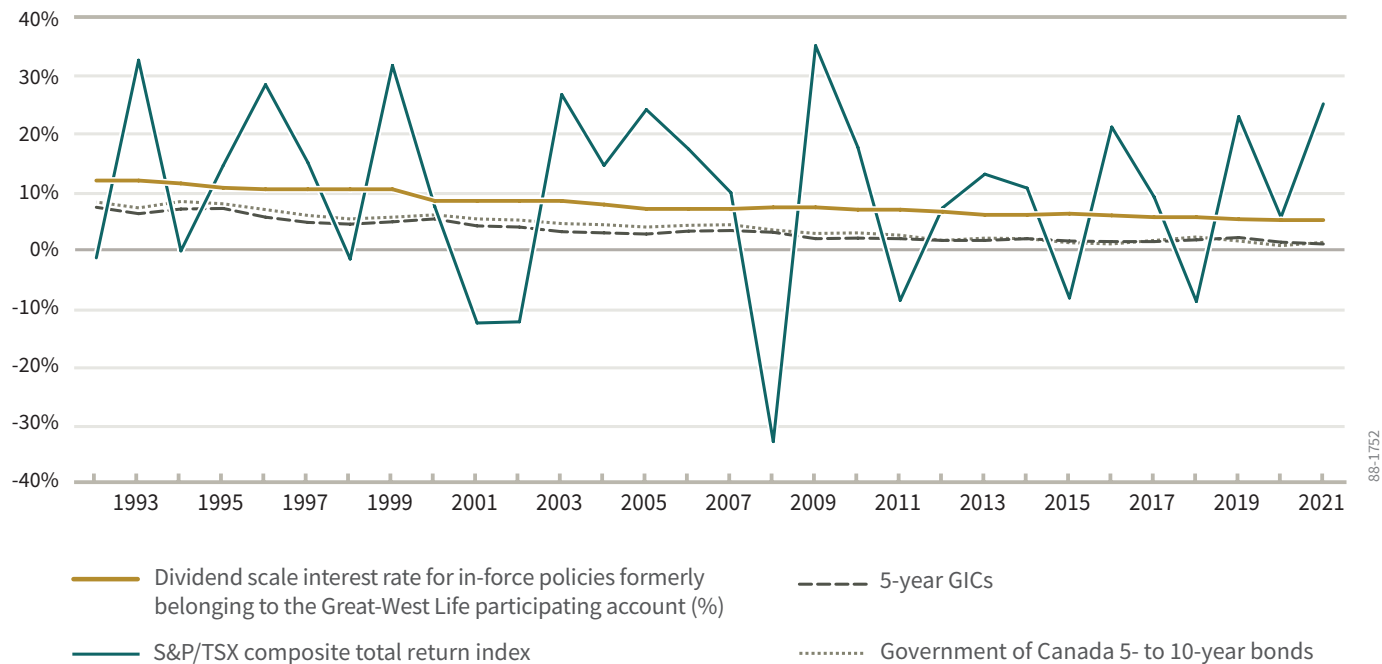
Years	1 (2021)	5 (2017 -2021)	10 (2012 -2021)	20 (2002 -2021)	30 (1992 -2021)	60 (1962 -2021)	30-year standard deviation (1992-2021)
DSIR for in-force policies formerly belonging to the Great-West Life participating account (%)	5.10	5.33	5.72	6.56	7.83	7.82	2.14
S&P/TSX composite total return index (%)	25.09	10.04	9.14	8.08	8.84	9.22	16.01
5-year guaranteed investment certificates (GICs) (%)	0.99	1.48	1.55	2.17	3.33	N/A	1.94
Government of Canada 5- to 10-year bonds (%)	1.27	1.46	1.50	2.63	3.95	6.27	2.31
Consumer Price Index (%)	3.40	2.04	1.69	1.91	1.81	3.74	0.82

All historical average annual returns are geometric means.

Stability

Historically, the dividend scale interest rate for all in-force policies formerly belonging to the Great-West Life participating account issued before Jan. 1, 2020, has remained stable during times of economic change compared to returns on many financial investments.

Returns (at Dec. 31, 2021)*



- The annual dividend scale interest rate and the historical average dividend scale interest rate for 30 years or less applies to policies issued post-September 1968, which have a variable policy loan rate provision. Policies issued before this date have a fixed policy loan rate provision and may have a different dividend scale interest rate. The 60-year average annual rate is a blended average of the dividend scale interest rate that applies to policies that have a variable policy loan rate provision (1969 to 2019) and the dividend scale interest rate that applies to policies that have a fixed policy loan rate provision (1960 to 1968).
- The dividend scale interest rate is used to calculate the investment component of participating policyowner dividends. It is based on assets backing the participating account liabilities. It does not include the returns on assets backing the participating account surplus.

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Historical investment-related performance*

For in-force policies formerly belonging to the Great-West Life participating account

The participating account return and the dividend scale interest rate can't be directly tied to the cash value growth in a particular policy. The actual cash value growth in any policy varies based on several factors, such as type of product, product features, premium-paying period, issue age, dividend option, the policyowner dividend scale and others.

Year	Participating account return (%)	Dividend scale interest rate (%)	Government of Canada 5- to 10-year bond return (%)	5-year GIC return (%)	Consumer Price Index (%)	S&P/TSX composite total return index (%)
1992	9.99	11.90	8.16	7.33	2.17	-1.43
1993	9.72	11.90	7.24	6.20	1.65	32.55
1994	9.06	11.40	8.26	7.34	0.23	-0.18
1995	8.98	10.65	7.93	7.06	1.74	14.53
1996	8.89	10.40	6.86	5.64	2.16	28.35
1997	8.43	10.40	5.87	4.71	0.78	14.98
1998	8.48	10.40	5.26	4.38	1.00	-1.58
1999	8.19	10.40	5.56	4.81	2.63	31.71
2000	7.98	8.40	5.96	5.34	3.20	7.41
2001	7.59	8.40	5.32	4.05	0.72	-12.57
2002	6.75	8.40	5.08	3.91	3.80	-12.44
2003	6.63	8.40	4.54	3.13	2.08	26.72
2004	6.38	7.77	4.34	2.92	2.13	14.48
2005	6.50	7.02	3.89	2.71	2.09	24.13
2006	6.15	7.02	4.18	3.16	1.67	17.26
2007	5.86	7.02	4.25	3.31	2.38	9.83
2008	0.12	7.29	3.36	3.01	1.16	-33.00
2009	8.38	7.29	2.84	1.95	1.32	35.05

2000
Dot-com bubble pops

2001
9/11 – Bank of Canada lowers benchmark interest rates into early 2002 to help restore consumer and investor confidence

2008-2009
Recession

Year	Participating account return (%)	Dividend scale interest rate (%)	Government of Canada 5- to 10-year bond return (%)	5-year GIC return (%)	Consumer Price Index (%)	S&P/TSX composite total return index (%)
2010	6.83	6.89	2.88	1.97	2.35	17.61
2011	4.09	6.89	2.47	1.87	2.30	-8.71
2012	5.78	6.54	1.63	1.65	0.83	7.19
2013	6.86	6.00	1.99	1.63	1.24	12.99
2014	5.53	6.00	1.87	1.92	1.47	10.55
2015	3.18	6.15	1.19	1.47	1.61	-8.32
2016	6.44	5.90	1.02	1.42	1.50	21.08
2017	4.47	5.60	1.61	1.39	1.87	9.10
2018	1.89	5.60	2.22	1.69	1.99	-8.89
2019	6.33	5.25	1.53	2.08	2.25	22.88
2020	N/A	5.10	0.65	1.28	0.73	5.60
2021	N/A	5.10	1.27	0.98	3.40	25.09

2010-2020

Bank of Canada benchmark interest rates remain at or near historic lows

2020

Canada Life forms the new Canada Life combined open participating account

Performance data are provided for illustrative purposes only and represent past performance which is not predictive of future performance. Both DSIRs and participating account returns change over time due to several factors including the economic environment and changes to the asset mix. This information is intended for informational purposes only; it's accurate to the best of our knowledge as of March 1, 2022.

On Jan. 1, 2020, we combined the Great-West Life, London Life and Canada Life Canadian open participating accounts to form the new Canada Life combined open participating account. For this reason, Great-West Life participating account returns are only available to the end of December 2019. To obtain participating account return and other key performance details for the Canada Life combined open account refer to Canada Life 2021 Financial facts from your advisor or at [canadalife.com](https://www.canadalife.com).

Notes:

- This report provides historical investment-related performance for the Great-West Life participating account prior to the amalgamation on Jan. 1, 2020. It also provides the dividend scale interest rate applicable for all in-force policies, formerly belonging to the Great-West Life participating account, issued before Jan. 1, 2020.
- The participating account return is determined in accordance with the Canadian Institute of Chartered Accountants (CICA) handbook from 2007 to 2010 and the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), effective Jan.1, 2011 and beyond, except for unrealized gains and losses on fixed income investments. These are excluded since mortgages and private placements in the participating account are generally held to maturity. Non-fixed income returns are valued on a marked-to-market basis and realized and unrealized gains and losses are recognized as incurred. Realized gains and losses on bonds are recognized as incurred.
- The total participating account return includes returns on assets such as policy loans and cash and equivalents.
- Both the participating account return and the dividend scale interest rate may be calculated and reported differently from company to company and should not be assumed to be comparable. For example, account composition and investment strategies and the smoothing method for calculating the DSIR, may change over time and may differ from other companies.
- Investment income is only one factor that goes into determining the actual dividends distributed to a participating policy.

Historical participating account return

The participating account return is the return for the total Great-West Life participating account assets prior to amalgamation on Jan. 1, 2020, that back both liabilities and surplus after investment expenses are deducted. The participating account return is reported for the calendar year Jan. 1 to Dec. 31. Investment expenses may vary every year due to changes in the asset mix of the total participating account, economies of scale and other factors.

The participating account return is a short-term indicator of investment performance.

Participating account historical average returns (at Dec. 31, 2019)

Participating account asset class	1-year (2019)	2-year (2018-2019)	3-year (2017-2019)	4-year (2016-2019)	5-year (2015-2019)	10-year (2010-2019)
Public bonds and private placements (%)	4.3	3.5	3.4	3.6	3.7	4.3
Mortgages (%)	3.3	3.2	3.2	3.4	3.6	4.2
Non-fixed income (real estate and equities) (%)	15.9	5.8	7.2	10.0	7.4	8.7
Total participating account return (after investment expenses) ¹ (%)	6.3	4.1	4.2	4.8	4.4	5.1

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*Important notes:

- S&P/TSX composite total return index includes the reinvestment of dividends.
- Five-year GIC returns are the nominal yields to maturity. Source: Statistics Canada, CANSIM table 176-0043, series V80691341 (Bank of Canada website), Feb. 21, 2022.
- Government of Canada five- to 10-year bond returns. Source: Statistics Canada, CANSIM table 176-0043, series V122486 (Statistics Canada website), Feb. 21, 2022. For each calendar year, the average of the monthly values was used.
- Consumer Price Index inflation rates are based on the change from December to December. Source: Statistics Canada, CANSIM table 326-0020, series V41690973 (Statistics Canada website), Feb. 21, 2022.



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