

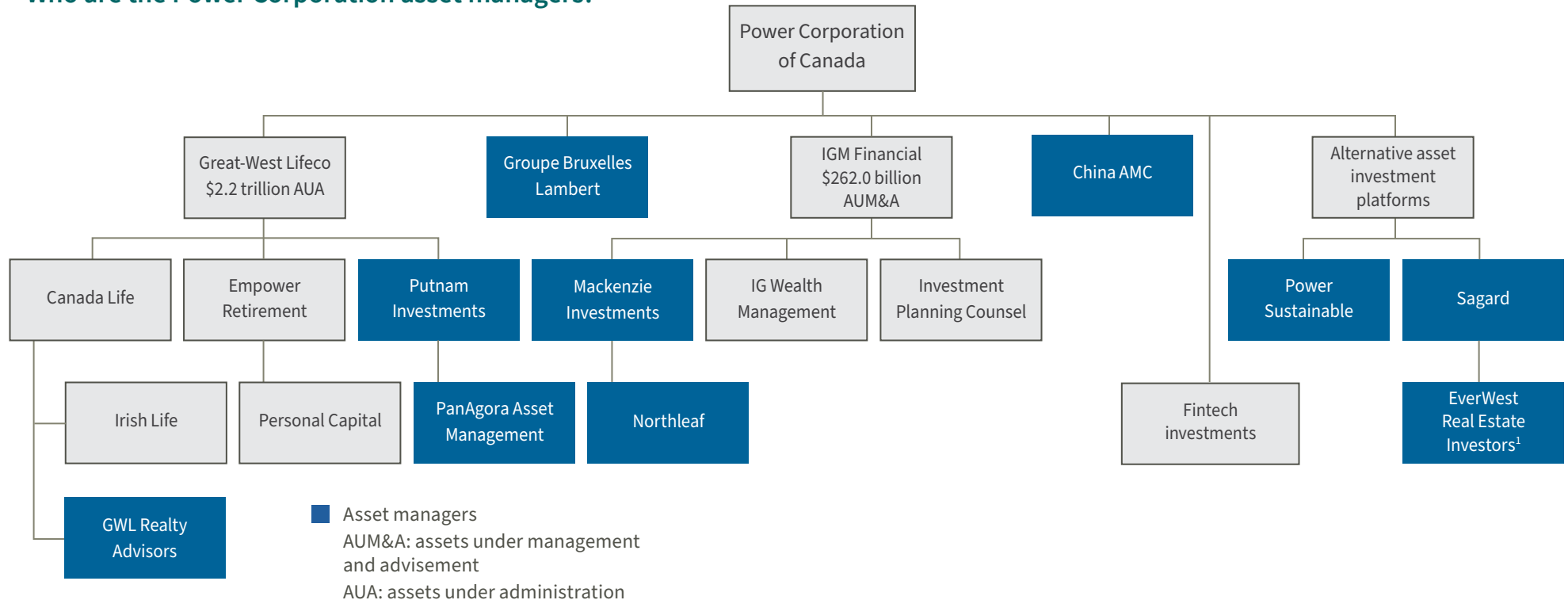


A look at our participating account investment strategy

Our relationship with Power Corporation of Canada

Canada Life is part of Power Corporation of Canada's group of companies, along with many industry-leading asset managers. Our unique strategic relationships with these firms give the Canada Life™ participating account and participating life insurance (par) policyowners access to a wider range of investment opportunities, both at home and abroad.

Who are the Power Corporation asset managers?



As of June 30, 2021. This chart includes entities that Power Corporation of Canada is invested in but may not control.

¹Sagard's acquisition of EverWest was closed on Nov. 19, 2021.

How do we make the most of our Power Corporation relationships?

Investing through the skilled asset managers that are part of Power Corporation’s group of companies helps to maximize our risk-adjusted return potential and grow our non-fixed income (NFI) investments – a key part of the latest evolution in our par account investment strategy. They also help us increase the par account’s foreign content and exposure to alternative investments.

These broad and experienced asset management teams are responsible for investing more than \$800 billion for institutional and retail investors from around the globe.

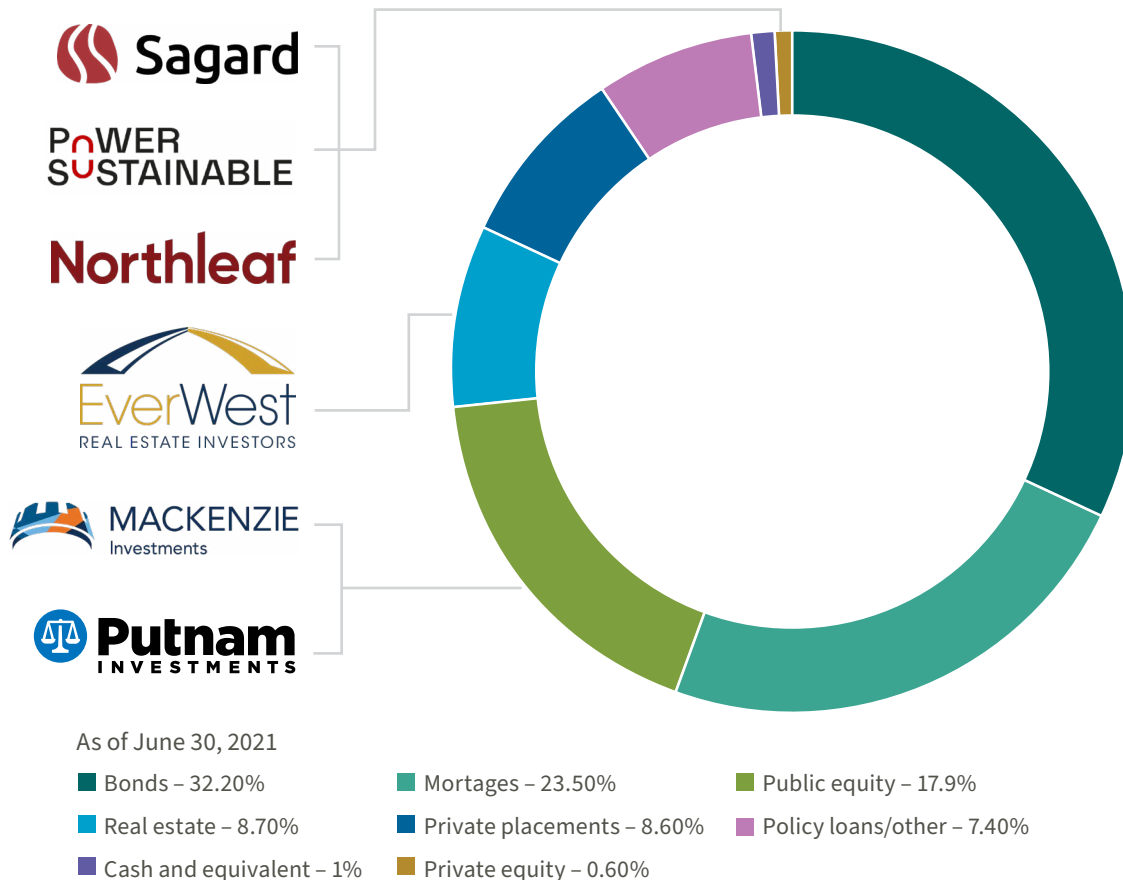
“In the asset management world, scale is very important. It is important to have the best tools to compete effectively and this requires significant investment.”

– Brian Allison,
Executive Vice President and
Chief Investment Officer



As of June 30, 2021. AUM includes unfunded commitments, fair value of equity interest in standalone businesses and AUM of wealth management businesses.

Participating account asset mix (excluding surplus)



“We have investment teams that actively manage our par account every day, diligently working to maximize risk-adjusted returns, while staying true to our overarching focus on quality, prudence and our goal to offer a robust product that endures through many business cycles.”

– Ryan Marcy,
Vice President, Large Case Services,
Insurance Solutions

How do these relationships benefit par policyowners?

Our Power Corporation relationships give Canada Life par policyowners the scale and diversification needed to achieve strong risk-adjusted returns.



Let's look at the impact of these partnerships on the following asset classes.

Public equity

The variety of investment options offered through our partnerships with Mackenzie Investments and Putnam Investments can help our par account actively navigate market changes and diversify our portfolio across a wider range of styles, geographies, and capitalization sizes. Unlike some major par competitors who strive to mimic the performance of the Canadian indices, Canada Life is the only par insurer of Canada's top three with significant public equity exposure to the United States¹: a geography with strong historical performance and broad industry diversification.

Mackenzie and Putnam's strong performance track record and environmental, social and governance (ESG) integration empower our public equity platform to deliver long-term, sustainable value for par policyowners.

Mackenzie Investments

**Top five
performance
for 2020**

Investment Executive rating²

Putnam Investments

76%
of funds in
Lipper top
quartile

On a five-year basis³

¹Sources: [Sun Life Participating whole life insurance Facts & Figures, page 13](#) and [Manulife 2020 Participating Account Annual Report, page 2](#)

²Source: [Harris, Catherine. "Pandemic Revealed Benefits of Stock-Picking."](#) Investment Executive, Feb. 22, 2021

³Source: ["Great-West Lifeco Reports Second Quarter 2021 Base Earnings of \\$826 Million and Net Earnings of \\$784 Million."](#) Great-West Lifeco, Aug. 3, 2021



Private equity

Northleaf and Sagard are two premier Canadian private market firms offering our par policyowners access to a wide range of investment opportunities, including private equity, private credit, venture capital and infrastructure equity. They have a history of successful investments including high-performance companies like Wealthsimple (Sagard) and Shopify (Northleaf).

Our partnerships with Sagard and Northleaf lend many advantages to the par account, including the ability to invest through unique institutional investment accounts alongside investors such as Caisse de dépôt et placement du Québec and the Canadian Pension Plan Investment Board. They also offer strategic access and pricing agreements reflecting Canada Life's combined scale.

“In many cases, the assets that back (participating life insurance) are not broadly available to the public. They're privately sourced. They take a huge amount of work and scale and expertise in order to build those portfolios.”

– Paul Desmarais III,
Chairman and CEO of Sagard Holdings Inc.



Canadian Breaks (left) and Douglas Terminals (right), two assets from the Northleaf Capital Partners Private Infrastructure Fund



Photos courtesy of Northleaf Capital Partners



Real estate

The U.S. is the world's largest commercial real estate market at \$3.65 trillion, almost ten times the size of the Canadian market.¹

Unlike some major par competitors who are focused on Canadian real estate markets, Canada Life also uniquely offers its policyowners exposure to direct United States commercial real estate.² EverWest Real Estate Investors' teams of investment professionals have local relationships in key American markets that allow them to source high-quality, attractive assets across industrial, multi-family residential and office sectors. This allows our par account to be diversified across a much wider range of geographies, industries, and economic drivers – creating stronger risk-reward potential.

Learn more about Canada Life participating life insurance

We look forward to sharing more updates like this in the coming months. In the meantime, you can read our quarterly participating account investment reports on [combined-strength.com](https://www.combined-strength.com).

Visit canadalife.com

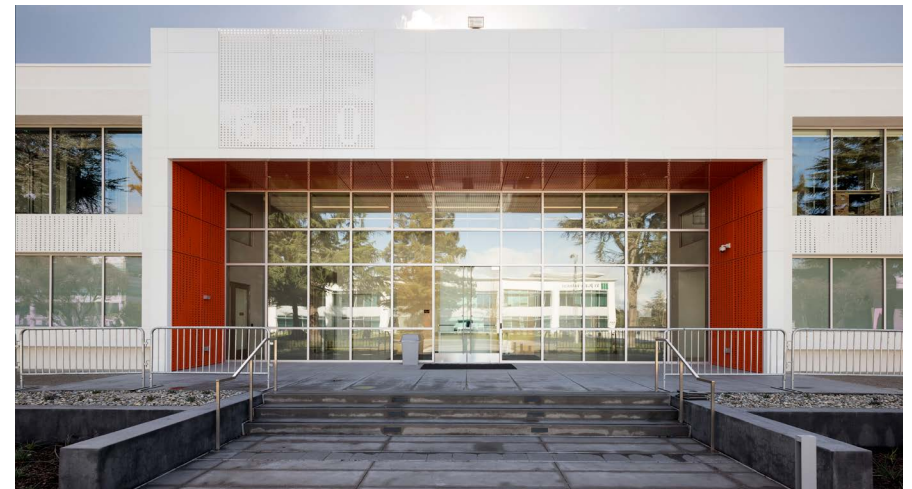
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¹ Source: [MSCI Real Estate Market Size 2020/2021](#)

² Sources: Sun Life Facts & Figures, page 13 and Manulife 2020 annual report, page 3



The Mint, Charlotte, NC
Photo courtesy of GWL Realty Advisors



Sunnyvale, California (Industrial), Silicon Valley
Photo courtesy of GWL Realty Advisors