Q2 2026

Quarterly Report to Shareholders

Second Quarter Results

For the period ended June 30, 2026

GREAT-WEST LIFECO

Quarterly Report to Shareholders

For cautionary notes regarding forward-looking information and non-IFRS financial measures, see page 2.

This report available at www.greatwestlifeco.com or by contacting the Corporate Secretary's Office at 204-946-4388.

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QUARTERLY REPORT TO THE SHAREHOLDERS

January 1 to June 30, 2026 Six Months Results

The condensed consolidated interim unaudited financial statements including notes at June 30, 2026 were approved by the Board of Directors at a meeting held today.

Great-West Lifeco Inc. (Great West or the Company) today announced its Q2 2026 results.

KEY FINANCIAL HIGHLIGHTS

	In-Quarter		Year-to-Date	
	Q2 2026	Q2 2025	**2026**	2025
Earnings				
Base earnings[1]	**$ 1,270**	$ 1,149	**$ 2,509**	$ 2,179
Net earnings	**$ 1,039**	$ 894	**$ 2,231**	$ 1,754
Earnings per share				
Base EPS[2]	**$ 1.42**	$ 1.24	**$ 2.79**	$ 2.35
Net EPS	**$ 1.16**	$ 0.96	**$ 2.48**	$ 1.89
Return on Equity				
Base ROE[2,3]	**19.3%**	17.4%		
ROE	**17.2%**	14.9%		

Base earnings[1] of $1,270 million and $1.42 per common share[2] in the second quarter, up 11% from $1,149 million and 15% from $1.24 a year ago. The strong results were driven by sustained momentum in our Retirement and Wealth lines of business, led by Empower, and supported by strong Capital Solutions new business growth in Capital and Risk Solutions (CRS). Base earnings growth was partially tempered by unfavourable insurance experience in Canada and lower trading activity year over year.

Net earnings of $1,039 million in the second quarter ($894 million a year ago) or $1.16 per common share reflect unfavourable market experience, primarily driven by interest rate movements in the quarter.

[1] This is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.
[2] Base EPS and base return on equity (Base ROE) are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for details.
[3] Base ROE and ROE are calculated using the trailing four quarters of applicable earnings and common shareholders' equity.

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HIGHLIGHTS

- **Strong business performance:**
  - Base EPS for the second quarter increased 15% year-over-year, driven by sustained top-line momentum across lines of business, operating leverage in Retirement and Wealth, and significant share repurchases over the past year.
  - Great West delivered base ROE of 19.3%, achieving its 19%+ medium-term objective for the second consecutive quarter, owing to earnings growth, disciplined capital deployment, and share buybacks.
- **Strategic focus on repositioning the portfolio toward higher-growth, capital-efficient businesses:**
  - Total client assets[4] of $3.7 trillion, of which $1.3 trillion represents higher-margin assets under management or advisement[4].
  - Strong asset growth across Retirement and Wealth, with Q2 2026 average client assets growth of 18% and 17% respectively.
- **U.S. segment continued to deliver double-digit base earnings growth:**
  - Base earnings increased 34% year-over-year in constant currency, driven by strong net flows, favourable markets, continued operating leverage, and improved credit experience.
  - Base ROE continued to improve, increasing to 22.2% from 20.8% in the preceding quarter.
  - Empower's Retirement business generated US$4.9 billion in net plan flows in Q2 2026, partially offsetting net participant outflows; Empower Wealth saw net inflows of US$1.8 billion driven by rollover sales.
  - In Q2 2026, Empower's platform generated record pre-tax base operating margins[4] of 34.7% in Retirement, up 660 bps from a year ago, and 40.4% in Wealth, up 970 bps from a year ago.
- **Empower to acquire Milliman's retirement plan and benefits administration business:**
  - On June 30, 2026, Empower announced the acquisition of Milliman's retirement plan and benefits administration business for US$340 million[5].
  - Further extends Empower's Workplace Solutions platform with approximately US$130 billion in client assets and 1.5 million participants at closing, while expanding defined benefit administration and health & welfare capabilities to enhance its comprehensive retirement and benefits solutions offering to clients.
  - Expected to be accretive to base earnings in Year 1 and generate a mid-teens IRR, supported by recurring fee-based revenue and growth opportunities. Expected to generate US$20 million in cost synergies within three years and incur approximately US$50 million in integration costs.
  - The transaction is to be funded through Empower's existing cash resources and is expected to have no pro forma impact on Great West's cash balance or leverage ratio.
- **Balance sheet strength provides substantial financial flexibility:**
  - Strong capital position with $2.5 billion in Holdco cash after $336 million of share repurchases in Q2 2026.
  - LICAT ratio[6] remained strong at 128%, while Great West free cash flow continued to exceed 80% of base earnings.
  - Leverage ratio[4] of 27% as at June 30, 2026, down 1% compared to the preceding quarter.
  - Book value per share of $29.85, up 9% year-over-year.

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[4] This is a non-GAAP financial measure/ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

[5] Transaction expected to close in the second half of 2026, subject to customary closing conditions and regulatory approvals.

[6] The Life Insurance Capital Adequacy Test (LICAT) Ratio is based on the consolidated results of The Canada Life Assurance Company, Great West's major Canadian operating subsidiary. The LICAT Ratio is calculated in accordance with the Office of Superintendent of Financial Institutions' guideline - Life Insurance Capital Adequacy Test.

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SEGMENTED OPERATING RESULTS

For reporting purposes, Great West's consolidated operating results are grouped into five reportable segments – United States, Canada, Europe, Capital and Risk Solutions and Corporate – reflecting the management and corporate structure of the Company. For more information, refer to the Company's Q2 2026 Management's Discussion and Analysis (MD&A).

	In-Quarter		Year-to-Date	
	Q2 2026	Q2 2025	**2026**	2025
Segment base earnings[7]				
United States	**$ 458**	$ 341	**$ 888**	$ 706
Canada	**341**	375	**693**	691
Europe	**266**	262	**539**	501
Capital and Risk Solutions	**310**	229	**610**	442
Corporate	**(105)**	(58)	**(221)**	(161)
Total base earnings	**$ 1,270**	$ 1,149	**$ 2,509**	$ 2,179
Segment net earnings				
United States	**$ 404**	$ 305	**$ 756**	$ 643
Canada	**310**	255	**666**	556
Europe	**163**	126	**418**	293
Capital and Risk Solutions	**305**	194	**658**	378
Corporate	**(143)**	14	**(267)**	(116)
Total net earnings	**$ 1,039**	$ 894	**$ 2,231**	$ 1,754

[7] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of the Q2 2026 MD&A for more details.

UNITED STATES

- **Q2 U.S. segment base earnings of US$332 million ($458 million) and net earnings of US$293 million ($404 million)** – Base earnings increased by US$85 million, or 34%, compared to the same quarter last year, primarily reflecting higher fee income driven by higher assets from strong markets, positive plan and Wealth net inflows offsetting participant outflows, lower credit-related impacts, and operating leverage in both Retirement and Wealth.

CANADA

- **Q2 Canada segment base earnings of $341 million and net earnings of $310 million** – Base earnings decreased by $34 million, or 9%, compared to the same quarter last year, primarily driven by moderated Group Benefits insurance experience, partially offset by strong Retirement and Wealth results from higher client assets due to strong markets.

EUROPE

- **Q2 Europe segment base earnings of $266 million and net earnings of $163 million** – Base earnings increased by $4 million, or 2%, compared to the same quarter last year, primarily due to favourable Group Benefits experience, higher expected insurance earnings, and favourable currency movements, partially offset by lower trading activity and lower expected investment earnings.

CAPITAL AND RISK SOLUTIONS

- **Q2 Capital and Risk Solutions segment base earnings of $310 million and net earnings of $305 million** – Base earnings increased by $81 million, or 35%, compared to the same quarter last year, primarily due to continued strength in Capital Solutions new business growth.

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QUARTERLY DIVIDENDS

The Board of Directors (or Directors) approved a quarterly dividend of $0.67 per share on the common shares of Great West, payable September 29, 2026, to shareholders of record at the close of business September 1, 2026.

In addition, the Directors approved quarterly dividends on Great West's preferred shares, as follows:

First Preferred Shares	Amount, per share
Series G	$0.3250
Series H	$0.30313
Series I	$0.28125
Series L	$0.353125
Series M	$0.3625
Series N	$0.255625
Series P	$0.3375
Series Q	$0.321875
Series R	$0.3000
Series S	$0.328125
Series T	$0.321875
Series Y	$0.28125
Series Z	$0.35625
Series 24[8]	$0.3904

[8] The initial dividend of the Series 24 preferred shares will be payable on September 30, 2026. Thereafter, dividends will be payable quarterly on the last day of March, June, September and December in each year at a rate of $0.35625 per share.

For purposes of the Income Tax Act (Canada), and any similar provincial legislation, the dividends referred to above are eligible dividends.

David Harney

David Harney
President and Chief Executive Officer

July 28, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2026
DATED: JULY 28, 2026

This Management's Discussion and Analysis (MD&A) presents management's view of the financial condition, financial performance and cash flows of Great-West Lifeco Inc. (Great West). This MD&A should be read in conjunction with our MD&A and audited consolidated financial statements contained in our 2025 Annual Report and the condensed consolidated interim unaudited financial statements of the Company as at and for the three and six months ended June 30, 2026 (financial statements), which can be found under the Company's profile on SEDAR+ at www.sedarplus.ca or in the Investor Relations section of our website at www.greatwestlifeco.com.

The financial statements of Great West, which are the basis for data presented in this report, have been prepared in accordance with International Accounting Standards (IAS) 34 *Interim Financial Reporting* and are presented in millions of Canadian dollars unless otherwise indicated.

Great West, the Company, we, us, our are terms used throughout this document to refer to Great-West Lifeco Inc. and its subsidiaries. This MD&A is dated as of, and reflects all material events up to, July 28, 2026.

Cautionary Note Regarding Forward-Looking Information

From time to time, Great West makes written and/or oral forward-looking statements within the meaning of applicable securities laws, including in this MD&A. Forward-looking information includes statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "achieve", "ambition", "anticipate", "believe", "could", "estimate", "expect", "initiatives", "intend", "may", "objective", "opportunity", "plan", "potential", "project", "target", "will" and other similar expressions or negative versions of those words. Forward-looking information in this MD&A includes, without limitation, statements about the Company and its operations, business (including business mix), financial condition, expected financial performance (including revenues, earnings or growth rates and medium-term financial objectives), strategies and prospects, expected costs and benefits of acquisitions and divestitures (including timing of integration activities and timing and extent of revenue and expense synergies), the timing and extent of expected transformation charges/impacts, expected expenditures or investments (including but not limited to investment in technology infrastructure and digital capabilities and solutions and investments in strategic partnerships), value creation and realization and growth opportunities, product and service innovation, expected dividend levels, expected cost reductions and savings, expected capital management activities and use of capital, the timing and extent of possible share repurchases, market position, estimates of risk sensitivities affecting capital adequacy ratios, estimates of financial risk sensitivities (including as a result of current market conditions), expected net plan inflows, expected credit experience, anticipated global economic conditions, potential impacts of catastrophe events, potential impacts of geopolitical events and conflicts and the impact of regulatory developments (including changes to laws and government policies) on the Company's business strategy, growth objectives and capital.

Forward-looking statements are based on expectations, forecasts, estimates, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance, wealth and retirement solutions industries. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance that they will prove to be correct. With respect to the announced acquisition of Milliman's retirement plan and benefits administration business, management's expectations are subject to: (a) the timing and completion of the proposed acquisition; (b) the expected costs and benefits of the proposed acquisition, including the timing and cost of integration activities, the timing and extent of expected cost efficiencies and synergies, increased scale, capabilities and marketing of Empower, revenue diversification, value creation/realization and growth opportunities, product and service innovation, and improved client outcomes; (c) the impacts of the proposed acquisition on the Company's and Empower's financial condition and flexibility, including the expected internal rate of return of the proposed acquisition and expected base earnings accretion resulting from the proposed acquisition; and (d) the business and financial condition of the Company, Empower and the acquisition business and the U.S. retirement and benefits industry generally. With respect to possible share repurchases, the amount and timing of actual repurchases will depend on the earnings, cash requirements and financial condition of the Company, market conditions, our ability to effect the repurchases on a prudent basis, capital requirements, applicable law and regulations (including applicable securities laws), and other factors deemed relevant by the Company, and may be subject to regulatory approval and/or conditions. In all cases, whether or not actual results differ from forward-looking information may depend on numerous factors, developments and assumptions, including, without limitation, the ability to integrate and leverage acquisitions and achieve anticipated benefits and synergies, the achievement of expense synergies and client retention targets from the acquisition of the Prudential retirement business, the Company's ability to execute strategic plans and adapt or recalibrate these plans as needed, the Company's reputation, business competition, assumptions around sales, pricing, fee rates, customer behaviour (including contributions, redemptions, withdrawals and lapse rates), mortality and morbidity experience, expense levels, reinsurance arrangements, global equity and capital markets (including continued access to equity and debt markets and credit instruments on economically feasible terms), geopolitical tensions and related economic impacts, interest and foreign exchange rates, inflation levels, liquidity requirements, investment values and asset breakdowns, hedging activities, financial condition of industry sectors and individual issuers that comprise part of the Company's investment portfolio, credit ratings, taxes, impairments of goodwill and other intangible assets, technological changes, including the use of emerging technologies, such as artificial intelligence (AI), in our business, breaches or failure of information systems and security (including cyber-attacks), assumptions around third-party suppliers, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, changes in actuarial standards, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third-party service providers, unplanned changes to the Company's facilities, customer and employee relations, levels of administrative and operational efficiencies, and other general economic, political and market factors in North America and internationally.

The above list is not exhaustive, and there may be other factors listed in other filings with securities regulators, including those set out in the "Risk Management" and "Summary of Critical Accounting Estimates" sections of the Company's 2025 Annual MD&A and in the Company's annual information form dated February 11, 2026 under "Risk Factors". These, along with other filings, are available for review at www.sedarplus.ca. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking information.

Other than as specifically required by applicable law, the Company does not intend to update any forward-looking information whether as a result of new information, future events or otherwise.

Cautionary Note Regarding Non-GAAP Financial Measures and Ratios

This MD&A contains some non-Generally Accepted Accounting Principles (GAAP) financial measures and non-GAAP ratios as defined in National Instrument 52-112 “Non-GAAP and Other Financial Measures Disclosure”. Terms by which non-GAAP financial measures are identified include, but are not limited to, "base earnings (loss)", "base earnings (loss) (US$)", "base earnings (loss) - pre-tax", "base earnings: insurance service result", "base earnings: net investment result", "assets under management or advisement", "assets under administration", "client assets", "CSM impact (post-tax)", "non-par base operating and administration expenses", and "run-rate insurance results". Terms by which non-GAAP ratios are identified include, but are not limited to, “base earnings per common share (EPS)”, “base return on equity (ROE)”, "base dividend payout ratio", "base capital generation", “cost of management ratio”, "efficiency ratio", “effective income tax rate – base earnings – common shareholders”, “financial leverage ratio” and "pre-tax base operating margin". Non-GAAP financial measures and ratios are used to provide management and investors with additional measures of performance to help assess results where no comparable GAAP (IFRS Accounting Standards) measure exists. However, non-GAAP financial measures and ratios do not have standard meanings prescribed by GAAP (IFRS Accounting Standards) and are not directly comparable to similar measures used by other companies. Refer to the "Non-GAAP Financial Measures and Ratios" section in this MD&A for the appropriate reconciliations of these non-GAAP financial measures to measures

1. Overview

Great West is a financial services holding company focused on building stronger, more inclusive and financially secure futures and operates in the United States (U.S.), Canada and Europe primarily through Empower Annuity Insurance Company of America (Empower), The Canada Life Assurance Company (Canada Life), and Irish Life Group Limited (Irish Life). The Company has a diversified mix of businesses within its reportable segments with focus on four key lines of business: retirement, wealth, group benefits, and insurance and risk solutions and has approximately 40 million customer relationships. As of June 30, 2026, Great West's total client assets[1] exceeded $3.7 trillion ($3.3 trillion as of December 31, 2025).

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

2. Consolidated Operating Results

Selected consolidated financial information						
(in Canadian $ millions, except per share amounts)	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings[1]	$ 1,270	$ 1,149	11 %	$ 2,509	$ 2,179	15 %
Net earnings - common shareholders	1,039	894	16 %	2,231	1,754	27 %
Per share metrics						
Basic - Base earnings[2]	1.42	1.24	15 %	2.79	2.35	19 %
Basic - Net earnings - common shareholders	1.16	0.96	20 %	2.48	1.89	31 %
Dividends paid	0.670	0.610	10 %	1.340	1.220	10 %
Book value[3]	29.85	27.38	9 %	29.85	27.38	9 %
Base dividend payout ratio[2]	47.3%	49.2%				
Dividend payout ratio[3]	57.8%	63.5%				
Efficiency ratio[2]	54.1%	56.7%				
Base return on equity[2]	19.3%	17.4%				
Return on equity[3]	17.2%	14.9%				

As at	June 30, 2026	December 31, 2025	% Change
Total assets	$ 946,011	$ 862,828	10 %
Total assets under management or advisement[1]	1,278,162	1,136,256	12 %
Total assets under administration only[3]	2,432,839	2,181,321	12 %
Total client assets[1]	3,711,001	3,317,577	12 %
Total assets under administration[1]	3,947,586	3,548,965	11 %
Total contractual service margin[3] (net of reinsurance contracts held)	13,542	13,530	— %
Total equity	34,602	33,003	5 %
Canada Life consolidated Life Insurance Capital Adequacy Test (LICAT) Ratio[4]	128%	128%	0 bps
Financial leverage ratio[2]	27%	28%	-100 bps

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

[2] This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

[3] Refer to the "Glossary" section of this document for additional details on the composition of this measure.

[4] LICAT Ratio is based on the consolidated results of The Canada Life Assurance Company, Great West's major Canadian operating subsidiary. The LICAT Ratio is calculated in accordance with the Office of Superintendent of Financial Institutions' guideline - Life Insurance Capital Adequacy Test. Refer to the "Capital Management and Adequacy" section of this document for additional details.

2.1 Second Quarter Development Highlights

United States

On June 30, 2026, Empower entered into an agreement to acquire the retirement plan and benefits administration business of Milliman, Inc. (Milliman) for approximately US$340 million. The transaction will add specialized defined benefit administrative expertise and capabilities to Empower's existing retirement, wealth management, stock plan and consumer-directed healthcare offerings, creating a more comprehensive suite of workplace financial solutions for employers, plan sponsors, advisors and individual investors.

The acquisition is expected to add approximately 1.5 million plan participants and US$130 billion in client assets at closing. The purchase consideration will be funded with Empower's existing cash resources, with a portion payable over the subsequent five years. Empower expects to incur integration costs of approximately US$50 million. The transaction is expected to close in the second half of 2026, subject to customary regulatory approvals and closing conditions.

Canada

On May 19, 2026, Canada Life announced the acquisition of Santé Circle Health, a provider of disability management and occupational health services. Santé Circle Health is recognized for its capabilities in early intervention, provider management and digital intake, supporting timely recovery and return-to-work outcomes. This acquisition supports Canada Life's strategy to be the leading provider of early intervention disability management solutions and supporting members, employers, and health systems in finding care, receiving treatment and optimizing return-to-work outcomes.

This quarter, Canada Life launched Fund Navigator, a simpler and more efficient way for advisors and consultants to research fund options. Developed exclusively for Canada Life in partnership with Morningstar and Expero, Fund Navigator gives on-demand access to Canada Life's retirement fund shelf, powered by Morningstar institutional data.

Europe

In the second quarter of 2026, Canada Life UK secured approximately £670 million of new business across six bulk purchase annuity (BPA) transactions, securing the annuity payments of over 10,000 members. Our BPA market position has strengthened, supported by the development of new propositions designed to enhance competitiveness and deliver solutions tailored to our customers, including deferred premium and residual risk solutions.

In June 2026, Irish Life officially opened its newly refurbished Dublin headquarters. The investment provides a modern collaborative workspace that supports the Group's long-term commitment to its people, customers and future growth ambitions.

Canada Life Germany's new corporate disability offering, launched earlier in the year, continued to gain traction in the second quarter of 2026, supported by an active tendering pipeline. This momentum reflects the success of the Company's model of co-developing products and features with broker partners, which also supported the enhancement and launch of its individual pension market offering.

2.2 Financial Performance Highlights

- The Company's base earnings per share for the second quarter of 2026 was $1.42, an increase of $0.18 or 15% from $1.24 in the same period in the prior year. Net earnings per share was $1.16 for the second quarter of 2026, an increase of $0.20 or 20% from $0.96 in the same period in the prior year. The growth in both base and net EPS reflects sustained momentum across the Retirement and Wealth businesses, led by Empower, and supported by strong new business volume in Capital Solutions and significant share repurchases over the past year and was partially tempered by less favourable insurance experience in Canada and lower trading activity year over year.
- Great West delivered base ROE of 19.3%, achieving its 19%+ medium-term objective for the second consecutive quarter, owing to earnings growth, disciplined capital deployment, and share buybacks.
- The Company's efficiency ratio for the second quarter of 2026 was 54.1% compared to 56.7% in the same quarter last year. The improvement in Great West's efficiency ratio was the result of prudent expense management and strong base earnings growth across the Company.
- For the six months ended June 30, 2026, the Company repurchased 13.4 million shares for $925 million under its normal course issuer bid (NCIB). On July 28, 2026, the Company announced an amendment to its current NCIB to increase the maximum number of common shares that may be repurchased from 20,000,000 common shares to 40,000,000 common shares. The amendment is expected to become effective on July 31, 2026. For further details, refer to the "Great West Capital Structure" section of this document.
- The Company's financial leverage ratio was 27% at June 30, 2026, compared to 28% at December 31, 2025. The decrease reflects growth in equity from gains on stocks measured at fair value through other comprehensive income,

partially offset by an increase in leverage from the issuance of $200 million Non-Cumulative First Preferred Shares, Series 24, and currency movements.

- Canada Life's LICAT Ratio was 128% at June 30, 2026, unchanged from December 31, 2025.

2.3 Base and Net Earnings

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (loss)[1]						
United States	$ 458	$ 341	*34 %*	$ 888	$ 706	*26 %*
Canada	341	375	*(9)%*	693	691	*— %*
Europe	266	262	*2 %*	539	501	*8 %*
Capital and Risk Solutions	310	229	*35 %*	610	442	*38 %*
Corporate	(105)	(58)	*(81)%*	(221)	(161)	*(37)%*
Great West base earnings[1]	$ 1,270	$ 1,149	*11 %*	$ 2,509	$ 2,179	*15 %*
Items excluded from base earnings						
Market experience relative to expectations[2]	$ (168)	$ (104)	*(62)%*	$ (152)	$ (195)	*22 %*
Assumption changes and management actions[2]	(23)	(3)	*<(100)%*	(20)	(35)	*43 %*
Business transformation and other impacts[2]	(6)	(121)	*95 %*	(38)	(131)	*71 %*
Amortization of acquisition-related finite life intangibles	(34)	(38)	*11 %*	(68)	(75)	*9 %*
Tax legislative changes and other tax impacts	—	11	*nmf*	—	11	*nmf*
Items excluded from Great West base earnings	$ (231)	$ (255)	*9 %*	$ (278)	$ (425)	*35 %*
Net earnings (loss) - common shareholders						
United States	$ 404	$ 305	*32 %*	$ 756	$ 643	*18 %*
Canada	310	255	*22 %*	666	556	*20 %*
Europe	163	126	*29 %*	418	293	*43 %*
Capital and Risk Solutions	305	194	*57 %*	658	378	*74 %*
Corporate	(143)	14	*nmf*	(267)	(116)	*<(100)%*
Great West net earnings - common shareholders	$ 1,039	$ 894	*16 %*	$ 2,231	$ 1,754	*27 %*

1 This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

2 Refer to the "Glossary" section of this document for additional details on the composition of this measure.

Base Earnings

Base earnings for the second quarter of 2026 of $1,270 million ($1.42 per common share) increased by $121 million or 11% compared to $1,149 million ($1.24 per common share) a year ago. The results include:

- **United States** - Higher fee and spread income from market-driven and business growth in the Retirement and Wealth lines of business, as well as lower credit-related impacts in both lines of businesses, partially offset by higher operating expenses to support growth;
- **Canada -** Less favourable Group Benefits experience and unfavourable morbidity experience in Insurance & Annuities, partially offset by increased fee income from Retirement and Wealth from market-driven asset growth;
- **Europe** - Favourable Group Benefits experience and higher fee income from market growth, partially offset by lower trading gains and lower expected investment earnings in Insurance & Annuities;
- **Capital and Risk Solutions -** New business growth within Capital Solutions during the quarter; and
- **Corporate** - Base loss driven by lower tax benefits resulting from changes in certain tax estimates recognized in the previous year and higher corporate shared service expenses.

For the six months ended June 30, 2026, Great West's base earnings were $2,509 million ($2.79 per common share) compared to $2,179 million ($2.35 per common share) a year ago. The increase was primarily due to:

- **United States** - Higher base earnings from the same reasons discussed for the in-quarter results;
- **Canada -** Increased fee income from Retirement and Wealth from market-driven asset growth and improved investment results, partially offset by less favourable Group Benefits experience;
- **Europe** - Higher earnings driven by favourable Group Benefits experience and higher fee income from market growth;
- **Capital and Risk Solutions -** Higher earnings driven by new business growth within Capital Solutions and favourable Risk Solutions experience; and

- **Corporate** - Partially offset by similar reasons as discussed above for in-quarter results.

Net Earnings - common shareholders

Great West's net earnings for the three months ended June 30, 2026 of $1,039 million ($1.16 per common share) increased by $145 million or 16% compared to $894 million ($0.96 per common share) for the same period a year ago. The increase was primarily due to an increase in base earnings and the net impacts of the following items excluded from base earnings:

- Lower business transformation and other impacts, primarily due to the non-recurrence of a restructuring provision recorded in the prior year;
- Partially offset by unfavourable market experience related to interest rates and the impact of equity market movements; and
- More unfavourable impact of assumption changes and management actions. Refer to the "Assumption Changes and Management Actions" section of this document for additional details.

For the six months ended June 30, 2026, Great West's net earnings were $2,231 million (2.48 per common share) compared to $1,754 million ($1.89 per common share) a year ago. The increase was primarily due to an increase in base earnings and the net impacts of the following items excluded from base earnings:

- Less unfavourable market experience, primarily from interest rates, partially offset by the impact of equity market movements; and
- Lower business transformation and other impacts, primarily due to the non-recurrence of a restructuring provision recorded in the prior year.

2.4 Foreign Currency

Great West conducts business in multiple currencies through its operating subsidiaries. The four primary currencies are the Canadian dollar, the U.S. dollar, the British pound and the euro. Foreign currency assets and liabilities are translated into Canadian dollars at the market rate at the end of the reporting period. All income and expense items are translated at an average rate for the period. The rates employed are:

	Q2-2026	Q2-2025	YTD-2026	YTD-2025
Income and expenses				
United States dollar	$ 1.38	$ 1.38	$ 1.38	$ 1.41
British pound	1.86	1.85	1.86	1.83
Euro	1.61	1.57	1.61	1.54

As at	June 30, 2026	December 31, 2025
Assets and liabilities		
United States dollar	$ 1.42	$ 1.37
British pound	1.88	1.85
Euro	1.62	1.61

The overall impact of currency movement for the three and six months ended June 30, 2026 compared to translation rates a year ago are summarized below:

	June 30, 2026 vs June 30, 2025	June 30, 2026 vs June 30, 2025
	For the three months ended	For the six months ended
Base Earnings	***Increase*** of $6 million	***Decrease*** of $7 million
Net Earnings	***Increase*** of $5 million	***Increase*** of $2 million

The movements in end-of-period exchange rates impacting the translation of foreign operations, including related hedging activities, resulted in post-tax unrealized foreign exchange gains of $379 million in-quarter ($565 million net unrealized gains year-to-date) recorded in other comprehensive income (OCI).

2.5 Taxes

The Company's effective income tax rates on earnings attributable to common shareholders are presented below.

Effective Income Tax Rates

	Q2-2026	Q2-2025	YTD-2026	YTD-2025
Base earnings[1]	15.9 %	11.7 %	16.4 %	14.4 %
Net earnings - common shareholders	14.0 %	5.9 %	15.8 %	11.2 %

1 This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

The Company's effective income tax rate is generally lower than the statutory income tax rate of 28.0% due to benefits related to non-taxable investment income and lower income tax rates in certain foreign jurisdictions.

The effective income tax rate varies from period to period as a result of changes in the jurisdictional mix of earnings and movements in non-taxable investment income. It may also be affected by other items such as provision-to-return adjustments, tax rate changes, the recognition of tax credits and updates to tax estimates, including deferred tax asset recoverability and uncertain tax position estimates.

Refer to note 14 of the Company's financial statements for the period ended June 30, 2026 for further details.

2.6 Items Excluded from Base Earnings

Market Experience Relative to Expectations

	Q2-2026	Q2-2025	YTD-2026	YTD-2025
Public equity market impacts	$ (34)	$ 22	$ (25)	$ 7
Real estate and other non-fixed income asset impacts	(29)	(51)	(107)	(89)
Interest rate and other impacts	(105)	(75)	(20)	(113)
Total market experience relative to expectations	$ (168)	$ (104)	$ (152)	$ (195)

Market experience relative to expectations, which are reflected in the net investment result of the Company's Consolidated Statements of Earnings, negatively impacted net earnings by $168 million in the second quarter of 2026, compared to a negative impact of $104 million in the second quarter of 2025. The in-quarter impact was primarily due to:

- Negative interest rate and other impacts primarily from the change in risk-free interest rates and spreads in Canada and the U.K.; and
- Impact of equity market movements.

For the six months ended June 30, 2026, market experience relative to expectations negatively impacted net earnings by $152 million, compared to a negative impact of $195 million for the same period in 2025. The negative impact in 2026 was primarily due to:

- Negative real estate and other non-fixed income asset impacts primarily from lower returns than expected on real estate assets in Canada and the U.K. and unfavourable results relative to expectations in the U.S. segment; and
- Impact of equity market movements.

The Company mitigates interest rate risk through disciplined asset-liability cash flow matching. As a result, the current-period impact of interest rate changes is largely offset, as changes in the fair value of bonds backing insurance contract liabilities are generally matched by corresponding changes in those liabilities. However, differences in interest rate sensitivity between assets and insurance and investment contract liabilities create net earnings sensitivity arising from asset-liability management strategies and accounting policy choices. These choices, which consider regulatory capital impacts, may increase net earnings sensitivity while reducing capital sensitivity. For example, the use of public equities and other non-fixed income assets, as well as certain assets held at amortized cost (such as U.K. mortgage assets), introduces interest rate exposure in net earnings. Sensitivity also varies by geography and by the magnitude and term structure of interest rate changes.

For a further description of the Company's sensitivity to equity markets and interest rate fluctuations, including sensitivity disclosures as a result of current market conditions, refer to the "Risk Management" section of this document as well as note 6 of the Company's financial statements for the period ended June 30, 2026.

Assumption Changes and Management Actions

Changes in insurance risk assumptions and certain management actions directly affect the CSM for contracts which have CSM. For contracts measured under the General Measurement Model, these impacts are measured using locked-in rates. Net earnings impacts arise from differences between the fair value measurement of assumption changes affecting CSM and the corresponding impacts recognized in CSM at locked-in rates, as well as from assumption changes related to financial risks on certain products and insurance risks on contracts without a CSM, including short-term insurance contracts. For a further description of the significant judgments, estimates and assumptions applied by management that affect the contractual service margin, refer to note 2 of the Company's financial statements for the period ended June 30, 2026.

The following table shows the net earnings and CSM impacts of assumption changes and management actions on non-participating business, excluding segregated funds, for the three and six months ended June 30, 2026.

			Q2-2026	
Assumptions	**CSM impacts (pre-tax)**	**CSM impacts (post-tax)**[1]	**Net Earnings Impact (post-tax)**	**Description**
Longevity	$ —	$ —	$ —	
Mortality	—	—	—	
Policyholder behaviour	—	—		
Other	4	3	(23)	Miscellaneous updates in Europe
Total	**$ 4**	**$ 3**	**$ (23)**	
			Q2-2025	
Total	**$ 7**	**$ 6**	**$ (3)**	

			YTD-2026	
Assumptions	**CSM impacts (pre-tax)**	**CSM impacts (post-tax)**[1]	**Net Earnings Impact (post-tax)**	**Description**
Longevity	$ —	$ —	$ —	
Mortality		—		
Policyholder behaviour		—		
Other	(57)	(46)	(20)	Updates and management actions across segments
Total	**$ (57)**	**$ (46)**	**$ (20)**	
			YTD-2025	
Total	**$ 17**	**$ 13**	**$ (35)**	

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

The following table summarizes the impact of assumption changes and management actions for the three and six months ended June 30, 2026 by segment:

	Q2-2026						Q2-2025
	U.S.	**Canada**	**Europe**	**CRS**	**Corporate**	**Total**	
CSM Impacts (pre-tax)[1]	$ —	$ —	$ 3	$ 1	$ —	$ 4	$ 7
CSM Impact (post-tax)[1]	—	—	2	1	—	3	6
Net Earnings Impacts (post-tax)	—	1	(24)	—	—	(23)	(3)
CSM Impacts (Segregated Fund Business)	—	—	—	—	—	—	(19)

	YTD-2026						YTD-2025
	U.S.	**Canada**	**Europe**	**CRS**	**Corporate**	**Total**	
CSM Impacts (pre-tax)[1]	$ —	$ —	$ (7)	$ (50)	$ —	$ (57)	$ 17
CSM Impact (post-tax)[1]	—	—	(7)	(39)	—	(46)	13
Net Earnings Impacts (post-tax)	—	(2)	(29)	30	(19)	(20)	(35)
CSM Impacts (Segregated Fund Business)	—	—	(10)	—	—	(10)	(20)

[1] Excludes participating and segregated fund policies.

Assumption changes and management actions during the interim period primarily reflect routine model refinements and management actions on non-participating business. Models and corresponding assumptions are subject to a comprehensive annual review in the third quarter, when more significant movements in this category are typically observed.

Other Items Excluded from Base Earnings

In the second quarter of 2026, other items excluded from base earnings were negative $40 million compared to negative $148 million for the same period a year ago. Business transformation and other impacts improved by $115 million compared to the same period in the prior year, primarily driven by the non-recurrence of a restructuring provision in Canada, partially offset by the provision releases related to the 2003 acquisition of Canada Life Financial Corporation in the prior year.

In the six months ended June 30, 2026, other items excluded from base earnings were negative $106 million compared to negative $195 million a year ago. Business transformation and other costs increased by $93 million compared to the same period in the prior year, primarily due to the same reasons discussed in the in-quarter results.

3. Segmented Operating Results

Consolidated operating results for Great West comprise primarily the results of Empower, Canada Life and Irish Life, together with corporate expenses and consolidation adjustments. The following sections analyze the performance of Great West's five reportable segments: United States, Canada, Europe, Capital and Risk Solutions and Corporate. Refer to the Company's 2025 Annual MD&A for a detailed description of the Company's reportable segments.

Translation of Foreign Currency

For the United States, Europe and Capital and Risk Solutions segments, foreign currency assets and liabilities are translated into Canadian dollars at the period-end exchange rates. All income and expense items are translated at an average rate for the period. Please refer to the "Foreign Currency" section in this document for more details.

Lines of Business

The Company has a diversified mix of businesses, within its reportable segments, with focus on four key lines of business:

Retirement: Great West's retirement business includes employer-sponsored benefit plans, an array of financial wellness programs, administrative and recordkeeping services, including enrollment, communication strategies and education programs, advanced data analytics and technology to provide a fully integrated consumer-directed healthcare suite that brings health and wealth benefits together on one platform.

Wealth: This business provides a broad suite of financial products and solutions, including personalized advisory services, investment management and digital tools to provide actionable financial insights, portfolio monitoring and planning.

Group Benefits: Great West's group benefits business includes group life and health benefits (coverage over life, disability, critical illness, accidental death and dismemberment, dental and extended healthcare) and group creditor products and services.

Insurance & Risk Solutions: Great West's insurance & risk solutions business includes individual life insurance products, living benefits, retirement income plans (annuities and deferred annuities products), capital solutions and risk solutions.

The following table provides an overview of the Company's lines of business across our reportable segments:

	Reportable Segments[1]			
Lines of Business	U.S.	Canada	Europe[2]	Capital and Risk Solutions
Retirement	Empower Workplace Solutions	Group Capital Accumulation Plans	Group Pension	
Wealth	Empower Personal Wealth	Savings and Retirement Income Plans	European Individual Wealth	
Group Benefits		Group Life, Disability and Health Benefits	Group Life, Disability and Irish Life Health	
Insurance & Risk Solutions		Individual Life and Living Benefits Insurance and Annuities "Insurance & Annuities"	Individual Life Insurance and Annuities "Insurance & Annuities"	Capital Solutions and Risk Solutions

[1] Corporate segment is excluded.

[2] Operates through Irish Life in Ireland and Canada Life in the U.K. and Germany.

3.1 United States

The United States segment comprises two distinct lines of business: Retirement and Wealth. The segment's operating results include results for Empower and an allocation of a portion of Great West's Corporate results.

Selected Financial Information

Base earnings and net earnings

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (US$)[1]						
Retirement	$ 238	$ 175	*36 %*	$ 462	$ 365	27 %
Wealth	72	43	*67 %*	138	83	66 %
Earnings on surplus	22	29	*(24)%*	46	54	(15)%
Base earnings (US$)[1]	$ 332	$ 247	*34 %*	$ 646	$ 502	29 %
Items excluded from base earnings (US$)	(39)	(25)	*(56)%*	(96)	(43)	<(100)%
Net earnings - common shareholders (US$)	$ 293	$ 222	*32 %*	$ 550	$ 459	20 %
Base earnings (C$)[1]	$ 458	$ 341	*34 %*	$ 888	$ 706	26 %
Net earnings - common shareholders (C$)	$ 404	$ 305	*32 %*	$ 756	$ 643	18 %

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

Base earnings and net earnings

Net earnings for the second quarter of 2026 of US$293 million increased by US$71 million compared to the same quarter last year. Base earnings of US$332 million increased by US$85 million compared to the same quarter last year, primarily due to:

- Higher fee and spread income driven by higher asset levels from market-driven growth and business growth in both lines of business; and
- Lower credit-related impacts in Retirement and Wealth in the current quarter when compared to the prior year;
- Partially offset by higher operating expenses incurred to support the growth in both lines of business.

Items excluded from base earnings was negative US$39 million for the second quarter of 2026 compared to negative US$25 million a year ago, primarily due to:

- Unfavorable market experience relative to expectations within real estate and other non-fixed income asset impacts; and
- Higher restructuring costs related to creating operational efficiencies.

For the six months ended June 30, 2026, net earnings increased by US$91 million to US$550 million compared to the same period last year. Base earnings of US$646 million increased by US$144 million compared to the same period last year, primarily due to the same reasons discussed for the in-quarter results.

For the six months ended June 30, 2026, items excluded from base earnings were negative US$96 million compared to negative US$43 million in the prior year, primarily due to similar factors discussed for the in-quarter results.

- Unfavorable market experience relative to expectation within real estate and other non-fixed income asset impacts; and
- Higher restructuring costs related to creating operational efficiencies.

Additional financial information

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Net asset flows - (US$)[1]						
Retirement	$ (8,915)	$ (22,159)	60 %	$ (7,304)	$ (16,956)	57 %
Wealth	1,818	2,946	(38)%	3,649	5,714	(36)%
Net asset flows - (US$)[1]	$ (7,097)	$ (19,213)	63 %	$ (3,655)	$ (11,242)	67 %
Net asset flows - (C$)[1]	$ (9,793)	$ (26,515)	63 %	$ (5,078)	$ (15,117)	66 %
Net fee and spread income (US$)[1]						
Retirement	$ 766	$ 705	9 %	$ 1,511	$ 1,412	7 %
Wealth	234	183	28 %	455	354	29 %
Net fee and spread income (US$)[1]	$ 1,000	$ 888	13 %	$ 1,966	$ 1,766	11 %
Net fee and spread income (C$)[1]	$ 1,381	$ 1,225	13 %	$ 2,705	$ 2,479	9 %

As at	June 30, 2026	December 31, 2025	% Change
Assets under administration (US$)[2]			
Assets under management or advisement[2]	$ 459,491	$ 416,521	10 %
Assets under administration only[1]	1,707,007	1,586,176	8 %
Total client assets (US$)[2]	$ 2,166,498	$ 2,002,697	8 %
Total assets under administration (US$)[2]	$ 2,199,887	$ 2,037,186	8 %
Total assets under administration (C$)[2]	$ 3,123,841	$ 2,790,945	12 %
Average client assets (US$)[1]			
Retirement	$ 1,992,927	$ 1,890,253	5 %
Wealth	116,902	108,185	8 %
Total average client assets (US$)[1]	$ 2,109,829	$ 1,998,438	6 %
Total average client assets (C$)[1]	$ 2,911,564	$ 2,777,829	5 %

[1] Refer to the "Glossary" section of this document for additional details on the composition of this measure.

[2] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

Net asset flows

In the second quarter of 2026, net asset outflows were US$7.1 billion, compared to net asset outflows of US$19.2 billion for the same quarter last year. The change was primarily due to:

- Higher plan sales and lower plan terminations in Retirement;
- Partially offset by higher participant net redemptions in Retirement.

For the six months ended June 30, 2026, net asset outflows were US$3.7 billion compared to net asset outflows of US$11.2 billion for the same period last year. The improvement was primarily due to:

- Higher plan sales in Retirement;
- Partially offset by higher participant net redemptions and higher plan terminations in Retirement.

Large plan sales and terminations can be highly variable from period to period and tend to result in lower margins but nonetheless contribute to covering fixed overhead costs. The number of participants at the end of the second quarter of 2026 increased from the end of 2025 in both Retirement and Wealth.

3.2 Canada

The Canada segment comprises four distinct lines of business: Retirement, Wealth, Group Benefits and Insurance & Annuities. The segment comprises solely the operating results attributed to Canada Life's Canadian operations, together with an allocation of a portion of Great West's Corporate results.

Selected Financial Information

Base earnings and net earnings

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (loss)[1]						
Retirement	$ 53	$ 42	26 %	$ 96	$ 80	20 %
Wealth	73	53	38 %	130	107	21 %
Group Benefits	137	186	(26)%	287	329	(13)%
Insurance & Annuities	43	53	(19)%	117	111	5 %
Earnings on surplus	29	25	16 %	55	51	8 %
Other	6	16	(63)%	8	13	(38)%
Base earnings (loss)[1]	$ 341	$ 375	(9)%	$ 693	$ 691	— %
Items excluded from base earnings	(31)	(120)	74 %	(27)	(135)	80 %
Net earnings - common shareholders	$ 310	$ 255	22 %	$ 666	$ 556	20 %

1 This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

Base and net earnings

Net earnings for the second quarter of 2026 of $310 million increased by $55 million compared to the same quarter last year. Base earnings for the second quarter of 2026 of $341 million decreased by $34 million compared to the same quarter last year, primarily due to:

- **Retirement** and **Wealth** - Increase from higher client assets primarily driven by market growth;
- **Group Benefits** - Decrease from less favourable experience, primarily long-term disability; and
- **Insurance & Annuities** - Decrease driven by unfavourable morbidity experience.

Items excluded from base earnings of negative $31 million for the second quarter of 2026 increased by $89 million compared to the same period in the prior year primarily due to the non-recurrence of a restructuring provision taken in the prior year, partially offset by unfavourable interest rate movements and lower credit spread impacts.

For the six months ended June 30, 2026, net earnings increased by $110 million and base earnings increased by $2 million compared to the same period last year. The increase in base earnings was primarily due to:

- **Retirement** and **Wealth** - Increase driven by the same reasons discussed above for in-quarter results;
- **Group Benefits** - Decrease driven by the same reasons discussed above for in-quarter results; and
- **Insurance & Annuities** - Increase from improved mortality experience and improved investment results, partially offset by unfavourable morbidity results and lower CSM recognized for services provided.

Items excluded from base earnings were negative $27 million compared to negative $135 million for the same period last year, primarily due to similar reasons as discussed above for in-quarter results, as well as favourable public equity market impacts.

In the second quarter of 2026, the net gain attributable to the participating account was $14 million, compared to a loss of $6 million for the same quarter last year, driven by the non-recurrence of restructuring costs in 2025 partially offset by changes in certain income tax estimates.

In the six months ended June 30, 2026, the net gain attributable to the participating account was $102 million compared to a net gain of $20 million for the same period last year, primarily due to the same reasons discussed above for in-quarter results, as well as the impact of assumption changes in the first quarter of 2026.

Additional financial information

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Sales[1]						
Group Benefits (Insured)[1]	$ 116	$ 97	20 %	$ 222	$ 222	— %
Group Benefits (ASO & Other)[1]	21	67	(69)%	95	300	(68)%
Insurance & Annuities	128	123	4 %	249	230	8 %
Net asset flows[1]						
Retirement	$ (737)	$ (567)	(30)%	$ (253)	$ (1,046)	76 %
Wealth	(607)	(375)	(62)%	(968)	(410)	<(100)%
Net asset flows[1]	$ (1,344)	$ (942)	(43)%	$ (1,221)	$ (1,456)	16 %
Net fee and spread income[1]						
Retirement	$ 132	$ 117	13 %	$ 257	$ 233	10 %
Wealth	248	222	12 %	486	455	7 %
Net fee and spread income[1]	$ 380	$ 339	12 %	$ 743	$ 688	8 %
Group Benefits fee and other income (ASO & Other)	$ 111	$ 106	5 %	$ 218	$ 212	3 %

As at	June 30, 2026	December 31, 2025	% Change
Assets under administration[2]			
Assets under management or advisement[2]	$ 232,779	$ 214,765	8 %
Assets under administration only[1]	3,048	2,942	4 %
Total client assets[2]	$ 235,827	$ 217,707	8 %
Total assets under administration[2,3]	$ 352,172	$ 330,917	6 %
Average client assets[1]			
Retirement	$ 90,987	$ 85,317	7 %
Wealth	137,174	130,387	5 %
Total average client assets[1]	$ 228,161	$ 215,704	6 %
Contractual service margin			
Insurance & Annuities - Non-Participating	$ 499	$ 513	(3)%
Wealth - Segregated Funds	1,838	1,731	6 %
Insurance & Annuities - Participating	3,335	3,305	1 %
Contractual service margin	$ 5,672	$ 5,549	2 %
Group Benefits in-force premiums (Insured)[1]	$ 7,351	$ 7,527	(2)%

1 Refer to the "Glossary" section of this document for additional details on the composition of this measure.

2 This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

3 At June 30, 2026, Canada Life had $7.4 billion of proprietary mutual fund assets held by retail clients ($7.4 billion at December 31, 2025). $5.0 billion ($4.1 billion as at December 31, 2025) of these assets are consolidated as investment on account of segregated fund policyholders on the Company's balance sheet.

Sales

Canada sales for the second quarter of 2026 decreased compared to the same period last year. Key drivers were:

- Group Benefits (ASO & Other) sales decreased by $46 million, primarily due to lower creditor sales; partially offset by increased Group Benefits (Insured) sales of $19 million driven by stronger small and mid-market sales; and
- Insurance & Annuities sales increased by $5 million, primarily due to strong participating sales.

Canada sales for the six months ended June 30, 2026 decreased compared to the same period last year, primarily due to:

- Group Benefits (ASO & Other) sales decreased by $205 million, for the reasons described above and due to a large one-time creditor sale in prior year;
- Partially offset by Insurance & Annuities sales increased by $19 million due to strong participating sales.

Net asset flows

In the second quarter of 2026, net asset outflows were $1,344 million compared to net asset outflows of $942 million for the same quarter last year, primarily due to:

- Retirement net asset flows decreased due to higher withdrawals partially offset by improved terminations and deposits; and
- Wealth net asset flows decreased due to higher redemptions partially offset by improved third party mutual fund and segregated fund sales.

For the six months ended June 30, 2026, net asset outflows were $1,221 million compared to net asset outflows of $1,456 million for the same period last year, primarily due to the same reasons described above for in-quarter results.

3.3 Europe

The Europe segment comprises four distinct lines of business: Retirement, Wealth, Group Benefits and Insurance & Annuities. The segment serves customers in the U.K. and Germany operating under the Canada Life brand and in Ireland under the Irish Life brand along with other acquired brands within the intermediary and wealth markets in Ireland. The segment's results also include an allocation of a portion of Great West's Corporate results.

Selected Financial Information

Base earnings and net earnings

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (loss)[1]						
Retirement	$ 16	$ 8	*100 %*	$ 30	$ 15	*100 %*
Wealth	57	68	*(16)%*	120	122	*(2)%*
Group Benefits	75	64	*17 %*	136	125	*9 %*
Insurance & Annuities	94	104	*(10)%*	206	193	*7 %*
Earnings on surplus	24	18	*33 %*	47	46	*2 %*
Base earnings (loss)[1]	$ 266	$ 262	*2 %*	$ 539	$ 501	*8 %*
Items excluded from base earnings	(103)	(136)	*24 %*	(121)	(208)	*42 %*
Net earnings - common shareholders	$ 163	$ 126	*29 %*	$ 418	$ 293	*43 %*

1 This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

Base and net earnings

Net earnings for the second quarter of 2026 of $163 million increased by $37 million compared to the same quarter last year. Base earnings for the second quarter of 2026 increased by $4 million compared to the same quarter last year. The increase in base earnings is primarily due to:

- **Retirement** and **Wealth** – Net decrease due to a tax release in the prior year and timing differences in the UK Wealth transition, partially offset by favourable net fee and spread income from strong net asset flows and market growth;
- **Group Benefits** – Increase due to favourable protection and pooling experience in the U.K. and health experience in Ireland, partially offset by less favourable mortality experience in Ireland; and
- **Insurance & Annuities** – Decrease due to lower trading gains and lower expected investment earnings, partially offset by business growth.

Items excluded from base earnings increased by $33 million for the second quarter of 2026 to negative $103 million primarily due to improved market experience relative to expectations compared to the prior year.

For the six months ended June 30, 2026, net earnings of $418 million increased by $125 million compared to the same period last year. Base earnings of $539 million increased by $38 million compared to the same period last year, primarily due to:

- **Retirement** and **Wealth** - Net increase primarily due to favourable net fee and spread income from strong net asset flows and market growth;
- **Group Benefits** – Similar reasons as discussed above for in-quarter results; and
- **Insurance & Annuities** – Increase due to business growth, partially offset by similar reasons as discussed above for in-quarter results.

Items excluded from base earnings were negative $121 million compared to negative $208 million for the same period last year, primarily due to improved market experience.

Additional financial information

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Sales[1]						
Group Benefits (Insured)[1]	$ 134	$ 88	52 %	$ 259	$ 191	36 %
Insurance & Annuities	2,006	716	>100%	2,950	1,656	78 %
Net asset flows[1]						
Retirement	$ 216	$ 309	(30)%	$ 633	$ 631	— %
Wealth	2,840	(2,321)	nmf	7,142	(273)	nmf
Insurance & Annuities	—	21	nmf	—	39	nmf
Net asset flows[1]	$ 3,056	$ (1,991)	nmf	$ 7,775	$ 397	>100%
Net fee and spread income[1]						
Retirement	$ 48	$ 29	66 %	$ 91	$ 57	60 %
Wealth	159	154	3 %	319	303	5 %
Net fee and spread income[1]	$ 207	$ 183	13 %	$ 410	$ 360	14 %

As at	June 30, 2026	December 31, 2025	% Change
Assets under administration[2]			
Assets under management or advisement[2]	$ 323,800	$ 290,863	11 %
Assets under administration only[1]	5,842	5,318	10 %
Total client assets[2]	$ 329,642	$ 296,181	11 %
Total assets under administration[2,3]	$ 390,519	$ 355,415	10 %
Average client assets[1]			
Retirement	$ 41,234	$ 37,503	10 %
Wealth	271,851	254,148	7 %
Total average client assets[1]	$ 313,085	$ 291,651	7 %
Contractual service margin			
Insurance & Annuities - Non-Participating	$ 3,882	$ 3,866	— %
Wealth - Segregated Funds	1,462	1,487	(2)%
Contractual service margin	$ 5,344	$ 5,353	— %
Group Benefits in-force premiums (Insured)[1]	$ 3,167	$ 3,027	5 %

1 Refer to the "Glossary" section of this document for additional details on the composition of this measure.

2 This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

3 At June 30, 2026, total assets under administration excludes $25.7 billion of assets managed for other business units within the Great West group of companies ($23.7 billion at December 31, 2025).

Sales

Europe sales for the second quarter of 2026 increased compared to the same period last year. Key drivers were:

- **Group Benefits (Insured)** sales increased by $46 million, due to higher Irish group risk and health sales;
- **Insurance & Annuities** sales increased by $1,290 million, due to strong bulk and individual annuity sales in the U.K.; and
- The positive impact of currency movements across all lines of business.

Europe sales for the six months ended June 30, 2026 increased compared to the same period last year, due to the same reasons discussed for the in-quarter results. Key drivers were:

- **Group Benefits (Insured)** sales increased by $68 million;
- **Insurance & Annuities** sales increased by $1,294 million; and
- The positive impact of currency movements across all lines of business.

Net asset flows

In the second quarter of 2026, net asset inflows were $3.1 billion compared to net asset outflows of $2.0 billion for the same quarter last year, primarily due to strong net wealth inflows in individual pension and savings and retirement. Net outflows in the same quarter last year were primarily due to an institutional client withdrawal in Ireland.

For the six months ended June 30, 2026, net asset inflows were $7.8 billion compared to net asset inflows of $0.4 billion for the same period last year. The increase was due to the same reasons discussed for the in-quarter results.

3.4 Capital and Risk Solutions

The Capital and Risk Solutions segment primarily includes Great West's reinsurance business and an allocation of a portion of Great West's Corporate results.

Selected Financial Information

Base earnings and net earnings

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (loss)[1]						
Reinsurance	$ 290	$ 213	36 %	$ 570	$ 410	39 %
Earnings on surplus	20	16	25 %	40	32	25 %
Base earnings (loss)[1]	$ 310	$ 229	35 %	$ 610	$ 442	38 %
Items excluded from base earnings[1]	(5)	(35)	86 %	48	(64)	nmf
Net earnings - common shareholders	$ 305	$ 194	57 %	$ 658	$ 378	74 %

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

Base and net earnings

Net earnings for the second quarter of 2026 increased by $111 million compared to the same quarter last year. Base earnings for the second quarter of 2026 increased by $81 million compared to the same quarter last year, due to Capital Solutions new business growth.

Items excluded from base earnings for the second quarter of 2026 were negative $5 million compared to negative $35 million for the same quarter last year, primarily due to improved market experience relative to expectations from changes to interest rates compared to the prior year.

For the six months ended June 30, 2026, net earnings increased by $280 million compared to the same period last year. Base earnings for the six months ended June 30, 2026 increased by $168 million compared to the same period last year primarily due to Capital Solutions new business growth and favourable Risk Solutions experience.

Items excluded from base earnings for the six months ended June 30, 2026 were positive $48 million compared to negative $64 million for the same period last year, primarily due to:

- Positive impact from a management action relating to the U.S. life business in the first quarter of 2026; and
- Improved market experience relative to expectations from changes to interest rates compared to the same period last year.

Additional financial information

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Run-rate insurance results by product[1]						
Capital Solutions	$ 196	$ 127	54 %	$ 365	$ 246	48 %
Risk Solutions (excl. P&C[2])	88	92	(4)%	177	184	(4)%
P&C[2] and other	17	21	(19)%	34	39	(13)%
Total run-rate insurance results[1]	$ 301	$ 240	25 %	$ 576	$ 469	23 %

As at	June 30, 2026	December 31, 2025	% Change
Total balance sheet assets	$ 11,950	$ 11,694	2 %
Contractual service margin			
Reinsurance - Non-Participating	$ 2,342	$ 2,430	(4)%
Reinsurance - Participating	1	1	— %
Contractual service margin	$ 2,343	$ 2,431	(4)%

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

[2] Refer to the "Glossary" section of this document for the definition of P&C.

3.5 Corporate

The Corporate segment includes operating results for activities of Great West that are not associated with the major business units of the Company. These items include:

- Certain overhead expenses, earnings on surplus, financing charges and related taxes not directly associated with the operations of the major business units of the Company;

- The results of PanAgora Asset Management;
- Dividend income from shareholdings in Franklin Resources, Inc. (Franklin Templeton); and
- The results of the U.S. legacy insurance portfolio including a retained block of life insurance, predominately participating policies, which are now administered by Protective Life, as well as a closed life retrocession block and guaranteed lifetime withdrawal benefit (GLWB) product.

Selected Financial Information - Corporate

	Q2-2026	Q2-2025	% Change	YTD-2026	YTD-2025	% Change
Base earnings (loss)[1]	$ (105)	$ (58)	*(81)%*	$ (221)	$ (161)	(37)%
Items excluded from base earnings	(38)	72	*nmf*	(46)	45	nmf
Net earnings (loss) - common shareholders	$ (143)	$ 14	*nmf*	$ (267)	$ (116)	<(100)%

[1] This metric is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

In the second quarter of 2026, Corporate had a net loss of $143 million compared to net earnings of $14 million for the same quarter last year. Base loss of $105 million increased by $47 million compared to the same quarter last year, primarily due to:

- Lower tax benefits resulting from changes in certain tax estimates recognized in the previous year; and
- Higher corporate shared service expenses;
- Partially offset by favourable contributions from PanAgora.

Items excluded from base earnings for the second quarter of 2026 of negative $38 million was compared to positive $72 million for the same quarter last year, due to:

- Business transformation impacts due to provision releases related to the 2003 acquisition of Canada Life Financial Corporation from the prior year; and
- Impact of equity market movements.

For the six months ended June 30, 2026, Corporate had a net loss of $267 million compared to a net loss of $116 million for the same period last year. Base loss of $221 million increased by $60 million compared to the same period last year, primarily driven by similar reasons as discussed above for in-quarter results.

For the six months ended June 30, 2026, items excluded from base earnings were negative $46 million compared to positive $45 million for the same period last year, primarily due to:

- Business transformation impacts due to provision releases related to the 2003 acquisition of Canada Life Financial Corporation from prior year;
- Impact of equity market movements; and
- Unfavourable assumption changes and management actions.

4. Consolidated Financial Position

4.1 Assets

As at	Par	Non-Par	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ —	$ 9,923	$ 9,923	$ 8,902
Bonds - Public[1]	24,298	119,858	144,156	138,726
Bonds - Private	10,338	26,083	36,421	35,742
Mortgage loans	12,227	24,351	36,578	36,873
Stocks	12,641	9,464	22,105	21,515
Investment properties	5,930	2,717	8,647	8,293
Invested assets	$ 65,434	$ 192,396	$ 257,830	$ 250,051
Insurance contract assets			1,586	1,571
Reinsurance contract held assets			16,755	16,850
Goodwill and intangible assets			16,482	16,195
Other assets			27,139	26,992
Investments on account of segregated fund policyholders			626,219	551,169
Total assets			$ 946,011	$ 862,828

[1] Included in Non-Participating and Participating Bonds - Public are 144A debt securities and similar exempt-market bonds.

Invested Assets

The Company manages its general fund assets to support the cash flow, liquidity and profitability requirements of the Company's insurance and investment products. The Company's investment policies are designed to be prudent and conservative, so that assets are not unduly exposed to concentration, credit or market risks. Within the framework of the Company’s policies, the Company implements strategies and reviews and adjusts them on an ongoing basis considering liability cash flows and capital market conditions. The majority of investments of the general fund are in medium-term and long-term fixed-income investments, primarily bonds and mortgages, reflecting the characteristics of the Company’s liabilities.

Bond portfolio

It is the Company's policy to acquire primarily investment grade bonds subject to prudent and well-defined investment policies. Modest investments in below investment grade rated securities may occur while not changing the overall discipline and conservative approach to the investment strategy. The total bond portfolio, including short-term investments, was $180.6 billion or 70% of invested assets at June 30, 2026 compared to $174.5 billion or 70% at December 31, 2025. The increase in the bond portfolio was primarily due to higher bond volumes in Canada and the strengthening of the U.S. dollar, Euro, and British pound relative to the Canadian dollar.

The overall quality of the bond portfolio remained high, with 98% of the portfolio rated investment grade, unchanged from December 31, 2025, and 70% rated A or higher. As at June 30, 2026 private bonds represent 14% of invested assets, consistent with December 31, 2025, private bonds are predominately investment-grade (96%) and are heavily weighted towards infrastructure sectors.

Bond credit ratings reflect bond rating agency activity up to June 30, 2026. Management continues to closely monitor bond rating agency activity and general market conditions.

Public Bonds reflect fixed income securities that are actively traded by retail or institutional investors, while Private Bonds are all other fixed income securities.

Bond portfolio by credit quality (as at)		June 30, 2026			December 31, 2025	
Public[1]		Total	%		Total	%
AAA	$	25,514	18 %	$	26,005	19 %
AA		31,962	22 %		29,138	20 %
A		51,573	36 %		49,602	36 %
BBB		33,785	23 %		32,792	24 %
BB or lower		1,322	1 %		1,189	1 %
Total Public	$	144,156	100 %	$	138,726	100 %
Private[2]						
AAA	$	419	1 %	$	594	2 %
AA		2,990	8 %		3,024	8 %
A		14,407	40 %		13,740	38 %
BBB		16,989	47 %		16,684	47 %
BB or lower		1,616	4 %		1,700	5 %
Total Private	$	36,421	100 %	$	35,742	100 %
Total Bonds	$	180,577		$	174,468	

[1] Included in Bonds - Public are 144A debt securities and similar exempt-market bonds.

[2] Includes public, private and internal ratings. Ratings may not reflect the potential impact of all risks on the value of securities and are subject to revision or withdrawal at any time. See also “Credit Risk” in the Risk Management section of the Company's 2025 Annual MD&A.

Bond Geographic Breakdown (as at)		June 30, 2026			December 31, 2025	
Government, government-related and agency securitized bonds		Total	%		Total	%
U.S.	$	9,622	20 %	$	10,391	21 %
Canada		17,294	36 %		17,659	37 %
Europe		18,491	38 %		17,313	36 %
All Other		2,998	6 %		3,042	6 %
Total	$	48,405	100 %	$	48,405	100 %
Corporate and Non-Agency Securitized Bonds						
U.S.	$	72,458	55 %	$	68,067	54 %
Canada		24,448	18 %		23,331	18 %
Europe		29,103	22 %		28,863	23 %
All Other		6,163	5 %		5,802	5 %
Total	$	132,172	100 %	$	126,063	100 %
Total Bonds	$	180,577		$	174,468	

Corporate and Non-Agency Securitized Bonds by Industry (as at)		June 30, 2026			December 31, 2025	
Corporate		Total	%		Total	%
Electric Utilities	$	19,307	15 %	$	18,645	15 %
Consumer Products		17,156	13 %		16,057	12 %
Industrial Products		13,701	10 %		13,053	10 %
Banks		6,889	5 %		7,372	6 %
Financial Services		11,502	9 %		10,369	8 %
Real Estate		7,211	5 %		7,283	6 %
Transportation		8,718	7 %		8,172	6 %
Energy		8,697	7 %		8,295	7 %
Technology		6,524	5 %		5,966	5 %
Communications		5,169	4 %		4,473	4 %
Gas Utilities		4,102	3 %		4,004	3 %
Auto & Auto Parts		3,318	2 %		2,907	2 %
Other Utilities		3,406	3 %		3,433	3 %
Non-Agency Securitized						
CMBS		3,318	2 %		3,528	3 %
RMBS		112	— %		113	— %
Other ABS		13,042	10 %		12,393	10 %
Total	$	132,172	100 %	$	126,063	100 %

Mortgage portfolio

It is the Company's practice to acquire high quality commercial mortgages meeting strict underwriting standards and diversification criteria. The Company has a well-defined risk-rating system, which it uses in its underwriting and credit monitoring processes for commercial loans. The majority of commercial mortgages held in the Europe segment are carried at amortized cost and therefore do not have fair value movements recorded on these holdings. The Canada, Europe and Capital and Risk Solutions segments also hold equity release mortgages within the mortgage portfolio. Equity release mortgages are loans provided to people who want to continue living in their homes while accessing some of the underlying equity value in their homes. Loans are typically repaid when the home is no longer occupied by the borrower.

Mortgage loans (as at)			**June 30, 2026**		December 31, 2025	
By type	**Par**	**Non-Par**	**Total**	**%**	Total	%
Single family residential	$ 394	$ 124	$ 518	1 %	$ 765	2 %
Multi-family residential	4,158	5,138	9,296	25 %	9,333	25 %
Equity release	667	5,230	5,897	16 %	5,664	16 %
Commercial	7,008	13,859	20,867	58 %	21,111	57 %
Total	$ 12,227	$ 24,351	$ 36,578	100 %	$ 36,873	100 %

Mortgage loans (as at)	**June 30, 2026**		December 31, 2025	
By geography	**Total**	**%**	Total	%
Canada	$ 13,707	37 %	$ 13,953	38 %
U.S.	10,363	28 %	10,537	29 %
Europe	12,295	35 %	12,179	33 %
All Other	213	— %	204	— %
Total	$ 36,578	100 %	$ 36,873	100 %

The total mortgage portfolio was $36.6 billion or 14% of invested assets at June 30, 2026, compared to $36.9 billion or 15% of invested assets at December 31, 2025. At June 30, 2026, total par loans were $12.2 billion or 33% of the mortgage portfolio, compared to $12.3 billion or 33% at December 31, 2025, and total non-par loans were $24.4 billion or 67% of the mortgage portfolio, compared to $24.5 billion or 67% at December 31, 2025.

The mortgage portfolio, excluding single-family and equity-release mortgages, has a weighted-average loan-to-value of 57%, with insured loans representing 8% of total mortgage balances, all of which are Canadian-insured. Approximately 89% of single-family mortgages are fixed-rate, while 99% of commercial and multi-family mortgages are fixed-rate.

Stocks

Stock Geographic Breakdown (as at)	**June 30, 2026**		December 31, 2025	
Publicly Traded Stocks	**Total**	**%**	Total	%
Canada	$ 10,339	74 %	$ 10,887	76 %
U.S.	3,186	22 %	3,095	21 %
Europe	367	3 %	269	2 %
All Other	149	1 %	109	1 %
Total Publicly Traded Stocks	$ 14,041	100 %	$ 14,360	100 %
Privately Held Stocks				
Canada	$ 2,633	33 %	$ 2,235	31 %
U.S.	4,261	53 %	3,783	53 %
Europe	520	6 %	500	7 %
All Other	650	8 %	637	9 %
Total Privately Held Stocks	$ 8,064	100 %	$ 7,155	100 %
Total Stocks	$ 22,105		$ 21,515	

The total stock portfolio was $22.1 billion or 9% of invested assets at June 30, 2026, compared to $21.5 billion or 9% of invested assets at December 31, 2025. At June 30, 2026, publicly traded stocks and privately held stocks were $14.0 billion and $8.1 billion, respectively, compared to $14.4 billion and $7.2 billion at December 31, 2025.

Privately held stocks primarily consist of investments in investment funds, including private equity, infrastructure, and other alternative asset strategies.

Investment Properties

Investment properties (as at)		June 30, 2026			December 31, 2025	
By type		**Total**	**%**		Total	%
Industrial	$	2,909	34 %	$	2,745	33 %
Office		1,719	20 %		1,575	19 %
Multi-family		2,211	26 %		2,172	26 %
Retail		1,073	12 %		1,059	13 %
Other		735	8 %		742	9 %
Total investment properties	$	8,647	100 %	$	8,293	100 %

Investment properties (as at)		June 30, 2026			December 31, 2025	
By segment		**Total**	**%**		Total	%
U.S.	$	17	— %	$	16	— %
Canada - Participating		5,929	69 %		5,629	68 %
Canada - Non-Participating		890	10 %		849	10 %
Europe		1,811	21 %		1,799	22 %
Total investment properties	$	8,647	100 %	$	8,293	100 %

The total investment property portfolio was $8.6 billion or 3% of invested assets at June 30, 2026, compared to $8.3 billion or 3% of invested assets at December 31, 2025.

Investment property holdings are well diversified by property type, with a weighted average lease term exceeding 6 years.

4.2 Liabilities

Liabilities (as at)		June 30, 2026		December 31, 2025
Insurance contract liabilities	$	165,772	$	161,644
Investment contract liabilities		91,271		89,042
Reinsurance contract held liabilities		860		919
Debentures and other debt instruments		8,965		8,792
Other general fund liabilities		18,322		18,259
Insurance contracts on account of segregated fund policyholders		74,839		70,418
Investment contracts on account of segregated fund policyholders		551,380		480,751
Total liabilities	$	911,409	$	829,825

Insurance and investment contract liabilities represent the amounts that, together with estimated future premiums and investment income, will be sufficient to pay estimated future benefits, dividends and expenses on policies in-force. Insurance and investment contract liabilities are determined using generally accepted actuarial practices, according to standards established by the Canadian Institute of Actuaries. Also, refer to the "Summary of Critical Accounting Estimates" section of the Company's Annual MD&A for the year ended December 31, 2025 for details on valuation methods and assumptions.

Total liabilities increased by $81.6 billion to $911.4 billion at June 30, 2026 from December 31, 2025. Key drivers were:

- Insurance contract liabilities increased by $4.1 billion. The increase was primarily due to:
  - The impact of market movements and currency movements;
  - Partially offset by normal business movements.
- Investment contract liabilities increased by $2.2 billion. The increase was primarily due to
  - Impact of currency movements and market movements;
  - Partially offset by normal business movements.
- Insurance and investment contracts on account of segregated fund policyholders increased by $75.1 billion. The increase was primarily due to:
  - Net deposits of $15.3 billion;
  - The impact of currency movement of $11.4 billion; and
  - An increase in non-controlling mutual fund interest of $2.8 billion;
  - Impact of market value gains and investment income of $45.6 billion.

Contractual Service Margin

The CSM of a group of insurance contracts represents the unearned profit that the Company expects to recognize in the future as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of the fulfilment cash flows, any derecognized assets for insurance acquisition cash flows and any cash flows arising at that date is a net inflow, then the group is classified as non-onerous. For non-onerous contracts, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total present value is a net outflow, then the group of insurance contracts is onerous. In this case, the net outflow is recognized as a loss in the current period. A loss component is created to depict any losses recognized in the current period, which determines the amounts that are subsequently recognized in future periods as reversals on onerous groups.

Contractual service margin continuity[1]

	Non-Participating (excluding Segregated Funds)							
	United States	Canada	Europe	Capital and Risk Solutions	Total	Seg Funds	Participating	Total
CSM beginning of period, December 31, 2025	$ 60	$ 513	$ 3,866	$ 2,430	$ 6,869	$ 3,175	$ 3,486	$ 13,530
Impact of new insurance business	—	11	142	46	199	63	51	313
Expected movements from asset returns & locked-in rates	—	8	48	32	88	75	101	264
CSM recognized for services provided	(3)	(29)	(174)	(151)	(357)	(208)	(83)	(648)
Insurance experience gains/losses	2	(4)	(42)	—	(44)	(45)	3	(86)
Organic CSM movement	$ (1)	$ (14)	$ (26)	$ (73)	$ (114)	$ (115)	$ 72	$ (157)
Impact of markets	—	—	—	—	—	197	(28)	169
Impact of changes in assumptions and management actions	—	—	(7)	(50)	(57)	(10)	(33)	(100)
Currency impact	2	—	49	35	86	7	7	100
Total CSM movement	$ 1	$ (14)	$ 16	$ (88)	$ (85)	$ 79	$ 18	$ 12
CSM end of period, June 30, 2026	$ 61	$ 499	$ 3,882	$ 2,342	$ 6,784	$ 3,254	$ 3,504	$ 13,542

[1] The CSM shown in the above table is presented net of reinsurance contracts held and includes CSM attributed to insurance contract assets and insurance contract liabilities.

Further detail on the assumption changes and management actions on non-participating business is provided in the "Assumption Changes and Management Actions" section of this document.

4.3 Great West Capital Structure

In establishing the appropriate mix of capital required to support the operations of the Company and its subsidiaries, management utilizes a variety of debt, equity and other hybrid instruments considering both the short and long-term capital needs of the Company.

Debentures and Other Debt Instruments

At June 30, 2026, debentures and other debt instruments increased by $173 million to $8,965 million compared to December 31, 2025, primarily due to the impact of currency movements.

On July 7, 2026, the Company issued €500 million 7-year bonds and will pay an annual coupon of 3.625%, priced at 99.575% of par to yield 3.695%. The bonds are listed on the Official List of Euronext Dublin and are admitted to trading on the Global Exchange Market of Euronext Dublin.

Share Capital and Surplus

Share capital outstanding at June 30, 2026 was $10.6 billion, which comprises $6.0 billion of common shares, $3.1 billion of preferred shares and $1.5 billion Limited Recourse Capital Notes (LRCN Series 1). Preferred shares included $2.87 billion of non-cumulative First Preferred Shares and $250 million of non-cumulative 5-year rate reset First Preferred Shares.

As at July 24, 2026, Great West had 895.2 million common shares, 124.8 million First Preferred Shares, and 14.1 million options to acquire common shares outstanding.

On June 22, 2026, the Company issued 8,000,000, 5.70% Non-Cumulative First Preferred Shares, Series 24 at $25.00 per share for gross proceeds of $200 million. Transaction costs incurred in connection with the preferred share issue of $4 million ($3 million after-tax) were charged to accumulated surplus.

On January 2, 2026, the Company announced the renewal of its NCIB commencing January 6, 2026 and terminating January 5, 2027 to purchase for cancellation up to, but not more than, 20,000,000 of its common shares at market prices. The renewed NCIB continues to permit the Company to purchase its shares from Power Financial Corporation and certain of its wholly-owned subsidiaries (collectively, PFC) in order for PFC to approximately maintain its proportionate percentage ownership in the Company.

During the first quarter of 2026, the Company entered into an automatic purchase plan (APP) with a designated broker to facilitate repurchases of common shares under the NCIB, including at times when the Company would ordinarily not be permitted to make purchases due to regulatory restrictions or self-imposed blackout periods. As at June 30, 2026, no obligation for the repurchase of shares under the APP was recognized.

During the six months ended June 30, 2026, the Company repurchased and subsequently cancelled approximately 13.4 million common shares under the NCIB at an average cost per share of $69.06. For further information on the Company's share capital movements, refer to note 11 of the Company's financial statements for the period ended June 30, 2026.

On July 28, 2026, the Company announced an amendment to its current NCIB to increase the maximum number of common shares that may be repurchased from 20,000,000 common shares to 40,000,000 common shares. The amendment is expected to become effective on July 31, 2026. Under the amended NCIB, Great West may, from January 6, 2026 to January 5, 2027, purchase up to 40,000,000 common shares for cancellation.

5. Capital Management and Liquidity

5.1 Capital Management and Adequacy

The Board of Directors approves the Company’s annual capital plan and related capital actions to ensure the Company maintains adequate capital aligned with its strategy, risk profile and business plans. Management is responsible for monitoring consolidated capital levels, deploying capital across operating subsidiaries in accordance with regulatory requirements, internal capital assessments and strategic considerations, and utilizing reinsurance to support capital and risk management. Great West's subsidiary, The Canada Life Assurance Company and its subsidiaries, report regulatory capital on a consolidated basis in accordance with OSFI's Life Insurance Capital Adequacy Test, whereas Great West's subsidiaries in the United States report Risk Based Capital (RBC). Additionally, entities based in Europe also separately report regulatory capital on a Solvency II and Solvency U.K. basis.

As at June 30, 2026, all subsidiaries were well capitalized and in compliance with applicable regulatory capital requirements.

I. LICAT Ratio

In Canada, OSFI has established a regulatory capital adequacy measurement for life insurance companies incorporated under the Insurance Companies Act (Canada) and their subsidiaries, known as the LICAT.

The LICAT Ratio compares the regulatory capital resources of a company to its required capital. The required capital is calibrated so that a life insurer can both withstand severe stress events and support the continuity of existing business. The LICAT guideline uses a risk-based approach for measuring specific life insurer risks and for aggregating the results to calculate the amount of a life insurer's capital requirements.

OSFI has established a Supervisory Target Total Ratio of 100% and a Supervisory Minimum Total Ratio of 90%. The Canada Life Assurance Company is operating well above these supervisory ratios.

The following provides a summary of the LICAT information and ratios for Canada Life:

LICAT Ratio

As at	**June 30, 2026**	December 31, 2025
Tier 1 Capital	$ 21,148	$ 21,061
Tier 2 Capital	7,702	7,667
Total Available Capital	$ 28,850	$ 28,728
Surplus Allowance & Eligible Deposits	5,127	5,155
Total capital resources	$ 33,977	$ 33,883
Required capital	$ 26,581	$ 26,541
Capital margin[1]	7,396	7,342
Total Ratio (OSFI Supervisory Target = 100%)[2]	128%	128%

1 Capital Margin = Total capital resources less required capital

2 Total Ratio (%) = (Total Capital Resources / Required Capital)

The Canada Life Assurance Company's consolidated LICAT Ratio remains stable at June 30, 2026 at 128%. The LICAT Ratio does not take into account any impact from $2.5 billion of liquidity at the Great West holding company level at June 30, 2026 ($2.1 billion at December 31, 2025).

II. RBC Ratio

In the U.S, the National Association of Insurance Commissioners (NAIC) has established Risk-Based Capital (RBC) as a regulatory capital adequacy measurement. Empower, Great West’s U.S. operating company, reports its RBC ratio annually to U.S. insurance regulators. The RBC ratio is for information only and is not intended as a means to rank insurers or for any other purpose. As at June 30, 2026, the ratio was estimated to be above 450%.

III. Solvency II and Solvency U.K.

Furthermore, subsidiaries of The Canada Life Assurance Company based in Europe are subject to local solvency capital regimes (Solvency II and Solvency U.K.). As at June 30, 2026, all European regulated entities met the capital and solvency requirements as prescribed under Solvency II and Solvency U.K.

IV. Financial Leverage Ratio

The financial leverage ratio is used to measure the Company's financial strength, solvency and capital adequacy and is calculated as the aggregate of debt, hybrid securities, and preferred shares divided by total equity plus after-tax non-participating CSM, excluding CSM associated with segregated fund guarantees.

The following provides a summary of the financial leverage ratio of the Company:

As at	**June 30, 2026**	December 31, 2025
Financial Leverage	$ 13,585	$ 13,212
Total equity	29,982	28,583
CSM (non-par, excluding seg funds) (after-tax)[1]	5,990	6,083
Financial Leverage Ratio[2]	27%	28%

1 After-tax CSM reflects taxation at the relevant statutory rate, subject to a minimum rate of 15%, where applicable.

2 This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

The Company’s financial leverage ratio was 27% at June 30, 2026, compared to 28% at December 31, 2025. The decrease reflects growth in equity from gains on stocks measured at fair value through other comprehensive income, partially offset by an increase in leverage from the issuance of $200 million Non-Cumulative First Preferred Shares, Series 24, and currency movements.

5.2 Liquidity

The Company's liquidity requirements are largely self-funded, with short-term obligations being met by internal funds and maintaining levels of liquid assets that can be converted to cash in less than 12 months to adequately settle obligations as they come due. The Company also closely manages operating liquidity through cash flow matching of assets and liabilities and forecasting earned and required yields, to ensure consistency between policyholder requirements and the yield of assets.

Furthermore, management closely monitors the solvency and capital positions of its principal subsidiaries opposite liquidity requirements at the holding company. Additional liquidity is available through established lines of credit or via capital market transactions. The Company maintains committed lines of credit with Canadian Chartered banks. Refer to Note 6(b) in the Company's June 30, 2026 financial statements for additional detail.

The Company does not have a formal common shareholder dividend policy. The Company maintains a target dividend payout ratio of 45% to 55% of base earnings, and takes this range into account when making dividend decisions. Dividends on outstanding common shares of the Company are declared and paid at the sole discretion of the Board of the Company. The decision to declare a dividend on the common shares of the Company takes into account a variety of factors including the level of earnings, adequacy of capital and availability of cash resources.

As a holding company, the ability to pay dividends and, in part, its ability to deploy capital is dependent upon the Company receiving dividends from its operating subsidiaries. The Company's operating subsidiaries are subject to regulations in a number of jurisdictions, each of which maintains its own regime for determining the amount of capital that must be held in connection with the different businesses it carries. The requirements imposed by the regulators in any jurisdiction may change from time to time, and thereby impact the ability of the operating subsidiaries to pay dividends to the Company. In the second quarter of 2026, the Company's main operating subsidiaries made cash payments to the holding company in the form of dividends amounting to $1.2 billion ($0.5 billion in second quarter of 2025).

Liquidity risk is assessed and mitigated through prudent product design and contract terms and by maintaining a high quality, diversified investment portfolio with sufficient liquidity to meet policyholder and financing obligations under normal and stress conditions. Refer to the "Market and Liquidity Risk" section under "Risk Management" of the Company's 2025 annual MD&A for additional information.

5.3 Cash Flows

	Q2-2026	Q2-2025	YTD-2026	YTD-2025
Cash flows relating to the following activities:				
Operations	$ 721	$ 1,485	$ 2,828	$ 1,318
Financing	(790)	(914)	(1,987)	(1,600)
Investment	(25)	(12)	(51)	(14)
	(94)	559	790	(296)
Effects of changes in exchange rates on cash and cash equivalents	160	(270)	231	(181)
Increase (decrease) in cash and cash equivalents in the period	66	289	1,021	(477)
Cash and cash equivalents, beginning of period	9,857	9,943	8,902	10,709
Cash and cash equivalents, end of period	$ 9,923	$ 10,232	$ 9,923	$ 10,232
Comprised of:				
Cash at the holding company level, Great West[1]	2,492	2,086	2,492	2,086
Cash in operating subsidiaries[2]	7,431	8,146	7,431	8,146

[1] Cash at the holding company level is unencumbered and can be deployed for strategic purposes like business acquisitions, investments in subsidiaries, share buybacks or repayment of outstanding debt.

[2] This balance is inclusive of cash in operating subsidiaries, which includes certain amounts held to satisfy regulatory or capital maintenance requirements.

The principal source of funds for the Company on a consolidated basis is cash provided by operating activities, including insurance revenue, net investment income and fee income. These funds are used primarily to pay policy benefits, policyholder dividends and claims, as well as operating expenses and commissions. The operations category on the statement of cash flows also includes transfers and withdrawals by clients that are funded in part by the sale of assets for cash. Cash flows generated by operations are mainly invested to support future liability cash requirements. Cash flows related to financing activities include the issuance and repayment of capital instruments and associated dividends and interest payments.

In the second quarter of 2026, cash and cash equivalents increased by $66 million from March 31, 2026.

- Cash flows provided by operations activities was $721 million, a change of negative $764 million compared to the second quarter of 2025. The change was primarily net cash movements in portfolio investments, partially offset by net changes in insurance and investment contract assets and liabilities.
- Cash flows used by financing activities was $790 million, a change of positive $124 million compared to the second quarter of 2025. The change was primarily driven by the issuance of preferred shares, partially offset by fewer repurchases and subsequent cancellation of common shares compared to the same period last year.
- Cash flows used by investment activities was $25 million, a change of negative $13 million compared to the second quarter of 2025. The change was primarily due to investments in associates and joint ventures, net of distributions.

For the six months ended June 30, 2026, cash and cash equivalents increased by $1,021 million from December 31, 2025.

- Cash flows provided by operations activities were $2,828 million, change of positive $1,510 million compared to the same period last year, primarily due to same reasons discussed for the in-quarter results.
- Cash flows used by financing activities of $1,987 million, a change of negative $387 million were primarily driven by the repurchase and subsequent cancellation of common shares, partially offset by the issuance of preferred shares.
- Cash flows used by investment activities was $51 million, a change of negative $37 million compared to the same period last year.

5.4 Commitments/Contractual Obligations

Commitments and contractual obligations have changed from those disclosed in the Company's annual MD&A for the year ended December 31, 2025, due to the Company's agreement to acquire Milliman's retirement plan and benefits administration business for approximately US$340 million, which is expected to close in the second half of 2026, subject to customary closing conditions and regulatory approvals. For additional information, refer to note 3 of the financial statements and the "Second Quarter Development Highlights" section of this MD&A.

5.5 Return on Equity (ROE)

	Q2-2026	Q2-2025
Base ROE[1] by segment		
United States	22.2 %	18.6 %
Canada	16.9 %	16.7 %
Europe	19.6 %	17.4 %
Capital and Risk Solutions	42.6 %	42.1 %
Great West base ROE[1] excluding Corporate	22.0 %	19.7 %
Consolidated base ROE[1]	19.3 %	17.4 %
ROE[2] by segment		
United States	19.5 %	17.0 %
Canada	18.2 %	17.0 %
Europe	13.6 %	13.7 %
Capital and Risk Solutions	42.9 %	28.3 %
Great West ROE[2] excluding Corporate	20.3 %	17.2 %
Consolidated ROE[2]	17.2 %	14.9 %

1 This metric is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures and Ratios" section of this document for additional details.

2 Refer to the "Glossary" section of this document for additional details on the composition of this measure.

The Company has a capital allocation methodology which tracks allocated capital required by each segment on a standalone basis.

Great West's consolidated base ROE and consolidated ROE increased by 1.9 and 2.3 percentage points, respectively, compared to June 30, 2025. The increase was primarily driven by earnings growth, disciplined capital deployment, and share buybacks.

5.6 Ratings

Great West and its operating companies maintain ratings from five independent ratings companies. Credit ratings[1] are intended to provide investors with an independent measure of the credit and securities quality of a corporation and are indicators of the likelihood of payment and the capacity of a corporation to meet its obligations in accordance with the terms of each obligation.

Great West and its major operating subsidiaries are assigned a group rating from each rating agency. This group rating is predominantly supported by leading positions in the Canadian insurance market and competitive positions in the U.S. and Europe. Each of Great West's operating companies benefit from the strong implicit financial support and collective ownership by Great West.

In 2026, the existing credit ratings for Great West and its major operating subsidiaries were unchanged. As of June 30, 2026, all agency outlooks for Great West's rated entities were unchanged at stable.

For a complete listing of credit ratings for Great-West Lifeco Inc. and its major operating subsidiaries, please refer to the "Investor Relations" section of the Company's website at www.greatwestlifeco.com.

6. Risk Management

6.1 Risk Management Overview

The Company's Enterprise Risk Management (ERM) Framework facilitates the alignment of business strategy with risk appetite, informs and improves the deployment of capital; and supports the identification, mitigation and management of exposure to potential losses and risk. The Company's Risk Function is responsible for developing and maintaining the Risk Appetite Framework (RAF), the supporting risk policies and risk limit structure, and provides independent risk oversight across the Company's operations. The Board of Directors is ultimately accountable and responsible for the Company's risk governance and associated risk policies. These include the ERM Policy, which establishes the guiding principles of risk management, and the RAF, which reflects the levels and types of risk that the Company is willing to accept to achieve its business objectives.

For the six months ended June 30, 2026, there were no significant changes to the Company's risk management and control practices. Refer to the Company's 2025 Annual MD&A for a detailed description of the Company's risk management and control practices.

6.2 Exposures and Sensitivities

Insurance and Investment Contract Liabilities

In determining the Company's insurance contract liabilities, valuation assumptions are made regarding rates of mortality/morbidity, investment returns, levels of operating expenses, rates of policy termination and rates of utilization of elective policy options or provisions. When the assumptions are revised to reflect emerging experience or change in outlook, the result is a change in the value of liabilities which in turn affects the Company's earnings.

Financial Exposures and Sensitivities

The following table illustrates the approximate impact to the Company's shareholders' net earnings that would arise as a result of changes to management's best estimate of certain assumptions. A description of the methodologies used to calculate the Company's financial risk sensitivities is included in the "Accounting Policies - Summary of Critical Accounting Estimates" section of the Company's annual MD&A for the year ended December 31, 2025. For changes in financial assumptions, the sensitivity is shown net of the corresponding impact on earnings of the change in the value of liabilities and the value of assets supporting liabilities. The sensitivities to shareholders' net earnings, shareholders' equity and CSM to changes in financial assumptions shown below have been rounded to the nearest $25 million.

The impact to shareholders' net earnings from an immediate 50 basis point increase or decrease in credit spreads is illustrated in the table below, with no change to the ultimate illiquidity premium. Actual impacts of credit spread changes will vary depending on the geographies where the changes occur, and the changes in credit spreads by term. A change in credit spreads may also lead to a change in the allowance for credit risk within the discount rate, depending on prevailing market and credit conditions at the time; any potential earnings impacts that may arise from such a change are not reflected in the sensitivities below.

1 These ratings are not a recommendation to buy, sell or hold the credit and securities of the Company or its subsidiaries and do not address market price or other factors that might determine suitability of a specific security for a particular investor. The ratings also may not reflect the potential impact of all risks on the value of securities and are subject to revision or withdrawal at any time by the rating agency.

Financial exposures and sensitivities

	Net earnings - common shareholders		Shareholders' equity		CSM[1]		LICAT Ratio[2]	
	Q2-2026	Q4-2025	Q2-2026	Q4-2025	Q2-2026	Q4-2025	Q2-2026	Q4-2025
Investment returns:								
Change in risk-free interest rates								
50 basis points increase	$ 25	$ 25	$ (25)	$ —	$ 25	$ 25	< (1 point)	(1 point)
50 basis points decrease	(50)	(50)	(25)	(25)	(75)	(75)	< 1 point	< 1 point
Change in credit spreads								
50 basis points increase	$ 200	$ 150	$ 250	$ 225	$ 25	$ —	0 point	< (1 point)
50 basis points decrease	(225)	(200)	(325)	(300)	(50)	(50)	0 point	0 point
Change in publicly traded common stock values[1]								
20% increase	$ 50	$ 75	$ 525	$ 500	$ 425	$ 400	< 1 point	0 point
10% increase	25	50	275	250	225	200	0 point	0 point
10% decrease	(25)	(50)	(275)	(250)	(225)	(200)	< (1 point)	< (1 point)
20% decrease	(50)	(75)	(550)	(525)	(450)	(400)	< (1 point)	(1 point)
Change in other non-fixed income asset values								
10% increase	$ 600	$ 550	$ 650	$ 600	$ 25	$ 25	< 1 point	< 1 point
5% increase	300	275	325	300	—	—	< 1 point	0 point
5% decrease	(325)	(300)	(350)	(325)	(25)	—	< (1 point)	< (1 point)
10% decrease	(650)	(600)	(675)	(650)	(25)	(25)	(1 point)	(1 point)

[1] The impacts to the total contractual service margin (CSM) are pre-tax.

[2] LICAT Ratio sensitivities should be viewed as directional estimates only of the underlying sensitivities for the respective factors. Given the nature of these calculations, the Company cannot provide assurance that the actual impact on the Canada Life consolidated LICAT Ratio will be as indicated. LICAT sensitivities are rounded to the nearest point.

Actual impacts of interest rate changes will vary depending upon the geography where the changes occur. Net earnings are positively impacted by a parallel increase in interest rates and credit spreads in Canada and the United Kingdom, and are positively impacted by a parallel decrease in interest rates in the United States and eurozone. Actual impacts of interest rate changes also vary by the level of change in interest rates by term. Therefore, actual impacts from interest rate changes may differ materially from the estimated impact of parallel movements in all geographies, which is presented above.

The sensitivities above reflect the immediate impacts of shareholders’ net earnings, shareholders’ equity and the LICAT Ratio from market movements. If there is a sustained change in investment markets, impacts on earnings, shareholders' equity and the LICAT Ratio will change over time, due to a combination of factors including the impact of a sustained change on the run-rate of base earnings.

The additional sensitivities below illustrate the approximate impact to the Company’s base earnings that would be estimated to arise over a 12-month period as a result of immediate changes to risk-free interest rates and publicly traded common stock values. The sensitivities below are primarily reflected in asset-based fee income for the Company's Retirement and Wealth lines of business, earnings on surplus and general account spread margins. The sensitivities below assume no subsequent changes in interest rates and that equity markets achieve their expected returns thereafter. Under sustained changes to investment markets, impacts to asset reinvestments, and certain management actions and changes in policyholder behaviours are likely to occur, and are not reflected in the below sensitivities.

The estimated impacts, rounded to the nearest $25 million, for the initial 12 months after the immediate change in interest rates and equity markets (impacts beyond this period may differ) would be as follows.

- A 50 basis points immediate parallel decrease (increase) in risk-free interest rates would decrease (increase) the Company's base earnings by approximately $75 million.
- A 10% immediate decrease (increase) in publicly traded common stock values would decrease (increase) the Company's base earnings by approximately $225 million.

The potential impact on shareholders' net earnings of the Company does not take into account any future potential changes to the Company's ultimate investment rate (UIR) assumptions. As at both June 30, 2026 and December 31, 2025, the sensitivity of shareholders' net earnings of the Company to a 10 basis point increase or decrease in the UIR in all geographies would be an increase of $10 million or a decrease of $10 million post-tax, respectively, when rounded to the nearest $10 million. In addition, as at both June 30, 2026 and December 31, 2025, the sensitivity of the CSM of the

Company to a 10 basis point increase or decrease in the UIR in all geographies would be an increase of $50 million or a decrease of $50 million pre-tax, respectively, when rounded to the nearest $25 million.

Refer to the "Accounting Policies - Summary of Critical Accounting Estimates" section of the Company's Annual MD&A for the year ended December 31, 2025 for additional information on earnings sensitivities.

7. Accounting Policies

7.1 IFRS Accounting Standards

The Company actively monitors IFRS Accounting Standards changes proposed by the International Accounting Standards Board (IASB) to assess if the changes to the standards may have an impact on the Company's results or operations.

Changes in Accounting Policies

The Company adopted the amendments to IFRS Accounting Standards for IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures* effective January 1, 2026. The amendments clarify the classification of financial assets with environmental, social and corporate governance and similar features, the settlement of liabilities through electronic payment systems, and introduce additional disclosure requirements to enhance transparency for investors.

The amendments do not impact the financial statements of the Company, except as indicated below:

- The Company applied the election permitted by the amendments to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be derecognized before the settlement date if specified criteria are met. The Company applied this election to all settlements made through electronic payment systems meeting the criteria.
- For cash settlement of financial liabilities that did not qualify for the election at period-end, the Company derecognized the associated liabilities on the settlement date. The adoption of this amendment did not have a material impact on the Company’s financial statements.

These amendments are applied retrospectively with no restatement of comparative balances.

Future Accounting Policies

The Company actively monitors changes in IFRS Accounting Standards, both proposed and released, by the IASB for potential impact on the Company. There have been no new standards issued and there have been no significant changes to the future accounting policies, that are applicable to the Company, from those disclosed in the December 31, 2025 consolidated annual audited financial statements.

For additional detail, refer to note 2 of the Company’s financial statements for the period ended June 30, 2026.

8. Other Information

8.1 Non-GAAP Financial Measures and Ratios

Non-GAAP Financial Measures

The Company uses several non-GAAP financial measures to measure overall performance of the Company and to assess each of its business units. A financial measure is considered a non-GAAP measure for Canadian securities law purposes if it is presented other than in accordance with generally accepted accounting principles (GAAP) used for the Company's consolidated financial statements. The consolidated financial statements of the Company have been prepared in compliance with IFRS Accounting Standards as issued by the IASB. Non-GAAP financial measures do not have a standardized meaning under GAAP and may not be comparable to similar financial measures presented by other issuers. Investors may find these financial measures useful in understanding how management views the underlying business performance of the Company.

Base earnings (loss)

Base earnings (loss) reflect management’s view of the underlying business performance of the Company and provides an alternate measure to understand the underlying business performance compared to net earnings.

Base earnings (loss) exclude the following items from net earnings:

- Market-related impacts, where actual market returns in the current period are different than longer-term expected returns;
- Assumption changes and management actions that impact the measurement of assets and liabilities;
- Business transformation and other impacts, when removed, assist in explaining the Company's underlying business performance, including acquisition and divestiture costs and restructuring and integration costs;

- Material legal settlements, material impairment charges related to goodwill and intangible assets, impacts of income tax rate changes on the remeasurement of deferred tax assets and liabilities and other tax impairments, net gains, losses or costs related to the disposition or acquisition of a business; net earnings (loss) from discontinued operations;
- The direct equity and interest rate impacts on the measurement of surplus assets and liabilities;
- Amortization of acquisition related finite life intangible assets; and
- Other items that, when removed, assist in explaining the Company's underlying business performance.

						Q2-2026
	U.S.	Canada	Europe	CRS	Corporate	Great West
Base earnings (loss)	$ 458	$ 341	$ 266	$ 310	$ (105)	$ 1,270
Items excluded from base earnings (loss)						
Market experience relative to expectations (pre-tax)	(25)	(39)	(100)	(9)	(49)	(222)
Income tax (expense) benefit	7	15	16	4	12	54
Assumption changes and management actions (pre-tax)	—	2	(27)	—	—	(25)
Income tax (expense) benefit	—	(1)	3	—	—	2
Business transformation and other impacts (pre-tax)	(14)	(5)	10	—	—	(9)
Income tax (expense) benefit	3	2	(2)	—	—	3
Amortization of acquisition-related finite life intangibles (pre-tax)	(33)	(8)	(4)	—	(2)	(47)
Income tax (expense) benefit	8	3	1	—	1	13
Tax legislative changes and other tax impacts (pre-tax)	—	—	—	—	—	—
Income tax (expense) benefit	—	—	—	—	—	—
Net earnings (loss) - common shareholders	**$ 404**	**$ 310**	**$ 163**	**$ 305**	**$ (143)**	**$ 1,039**

						Q2-2025
	U.S.	Canada	Europe	CRS	Corporate	Great West
Base earnings (loss)	$ 341	$ 375	$ 262	$ 229	$ (58)	$ 1,149
Items excluded from base earnings (loss)						
Market experience relative to expectations (pre-tax)	(3)	44	(139)	(31)	13	(116)
Income tax (expense) benefit	—	(19)	29	4	(2)	12
Assumption changes and management actions (pre-tax)	—	(1)	(1)	(3)	—	(5)
Income tax (expense) benefit	—	—	1	1	—	2
Business transformation and other impacts (pre-tax)	(9)	(192)	(42)	(9)	71	(181)
Income tax (expense) benefit	3	53	10	3	(9)	60
Amortization of acquisition-related finite life intangibles (pre-tax)	(36)	(7)	(6)	—	(2)	(51)
Income tax (expense) benefit	9	2	1	—	1	13
Tax legislative changes and other tax impacts (pre-tax)	—	—	—	—	—	—
Income tax (expense) benefit	—	—	11	—	—	11
Net earnings (loss) - common shareholders	$ 305	$ 255	$ 126	$ 194	$ 14	$ 894

						YTD-2026
	U.S.	Canada	Europe	CRS	Corporate	Great West
Base earnings (loss)	$ 888	$ 693	$ 539	$ 610	$ (221)	$ 2,509
Items excluded from base earnings (loss)						
Market experience relative to expectations (pre-tax)	(74)	(24)	(84)	24	(34)	(192)
Income tax (expense) benefit	18	11	8	(6)	9	40
Assumption changes and management actions (pre-tax)	—	(2)	(34)	38	(26)	(24)
Income tax (expense) benefit	—	—	5	(8)	7	4
Business transformation and other impacts (pre-tax)	(34)	(3)	(14)	—	—	(51)
Income tax (expense) benefit	8	1	4	—	—	13
Amortization of acquisition-related finite life intangibles (pre-tax)	(66)	(15)	(8)	—	(3)	(92)
Income tax (expense) benefit	16	5	2	—	1	24
Tax legislative changes and other tax impacts (pre-tax)	—	—	5	—	—	5
Income tax (expense) benefit	—	—	(5)	—	—	(5)
Net earnings (loss) - common shareholders	**$ 756**	**$ 666**	**$ 418**	**$ 658**	**$ (267)**	**$ 2,231**

						YTD-2025
	U.S.	Canada	Europe	CRS	Corporate	Great West
Base earnings (loss)	$ 706	$ 691	$ 501	$ 442	$ (161)	$ 2,179
Items excluded from base earnings (loss)						
Market experience relative to expectations (pre-tax)	(1)	35	(186)	(66)	(11)	(229)
Income tax (expense) benefit	—	(20)	40	11	3	34
Assumption changes and management actions (pre-tax)	—	(1)	(33)	(4)	(9)	(47)
Income tax (expense) benefit	—	—	9	1	2	12
Business transformation and other impacts (pre-tax)	(10)	(194)	(52)	(9)	71	(194)
Income tax (expense) benefit	3	54	12	3	(9)	63
Amortization of acquisition-related finite life intangibles (pre-tax)	(74)	(13)	(11)	—	(4)	(102)
Income tax (expense) benefit	19	4	2	—	2	27
Tax legislative changes and other tax impacts (pre-tax)	—	—	—	—	—	—
Income tax (expense) benefit	—	—	11	—	—	11
Net earnings (loss) - common shareholders	$ 643	$ 556	$ 293	$ 378	$ (116)	$ 1,754

Base earnings - pre-tax

Base earnings - pre-tax reflect management's view of the underlying business performance of the Company prior to the effects of income tax and provides an alternate measure to understand the underlying business performance compared to net earnings before income taxes.

	Q2-2026	Q2-2025	YTD-2026	YTD-2025
Base earnings (pre-tax)	$ 1,570	$ 1,337	$ 3,122	$ 2,619
Items excluded from Great West base earnings (pre-tax)				
Market experience relative to expectations (pre-tax)	$ (222)	$ (116)	$ (192)	$ (229)
Assumption changes and management actions (pre-tax)	(25)	(5)	(24)	(47)
Business transformation and other impacts (pre-tax)	(9)	(181)	(51)	(194)
Amortization of acquisition-related finite life intangibles (pre-tax)	(47)	(51)	(92)	(102)
Tax legislative changes and other tax impacts (pre-tax)	—	—	5	—
Total pre-tax items excluded from base earnings	$ (303)	$ (353)	$ (354)	$ (572)
Participating account	(4)	(34)	100	(19)
Earnings before income taxes	$ 1,263	$ 950	$ 2,868	$ 2,028

Assets under administration (AUA), assets under management or advisement (AUMA), assets under administration only (AUAO) and client assets

Assets under administration, assets under management or advisement and client assets are non-GAAP financial measures. These measures provide an indication of the size and volume of the Company's overall business. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volumes, size and trends.

Total assets under administration includes assets under management or advisement (AUMA), assets under administration only (AUAO), the total of which is total client assets, and other balance sheet assets.

Client assets represents the total client assets under management or advisement plus assets under administration only for the Company's Retirement and Wealth lines of business.

Client assets are classified as AUMA where the Company earns a fee for one or more of the following services: investment management services for proprietary funds or institutional assets, discretionary portfolio management on behalf of clients, and/or the provision of financial advice. AUMA relate to the Company's Retirement and Wealth lines of business only.

Refer to the "Glossary" section of this document for the definition of AUAO.

Other balance sheet assets include insurance contract assets, reinsurance contract assets, goodwill and intangible assets, other assets, as well as the portion of invested assets and investments on account of segregated fund policyholders not included within total client assets.

As at						June 30, 2026
	U.S.	Canada	Europe	CRS	Other[2]	Great West
Assets under administration						
Assets under management or advisement	$ 652,479	$ 232,779	$ 323,800	$ —	$ 69,104	$ 1,278,162
Assets under administration only[1]	2,423,949	3,048	5,842	—	—	2,432,839
Total client assets	$ 3,076,428	$ 235,827	$ 329,642	$ —	$ 69,104	$ 3,711,001
Other assets on balance sheet	47,413	116,345	60,877	11,950	—	236,585
Total assets under administration	$ 3,123,841	$ 352,172	$ 390,519	$ 11,950	$ 69,104	$ 3,947,586
of which: Total balance sheet assets	405,213	257,173	271,675	11,950	—	946,011
of which: Invested assets	93,315	105,044	48,096	11,375	—	257,830

1 Refer to the "Glossary" section of this document for additional detail regarding this metric.

2 Other includes assets under management related to legacy asset management business included in the Corporate segment.

As at						December 31, 2025
	U.S.	Canada	Europe	CRS	Other[2]	Great West
Assets under administration						
Assets under management or advisement	$ 570,634	$ 214,765	$ 290,863	$ —	$ 59,994	$ 1,136,256
Assets under administration only[1]	2,173,061	2,942	5,318	—	—	2,181,321
Total client assets	$ 2,743,695	$ 217,707	$ 296,181	$ —	$ 59,994	$ 3,317,577
Other assets on balance sheet	47,250	113,210	59,234	11,694	—	231,388
Total assets under administration	$ 2,790,945	$ 330,917	$ 355,415	$ 11,694	$ 59,994	$ 3,548,965
of which: Total balance sheet assets	358,912	241,841	250,381	11,694	—	862,828
of which: Invested assets	89,945	102,100	46,795	11,211	—	250,051

1 Refer to the "Glossary" section of this document for additional detail regarding this metric.

2 Other includes assets under management related to legacy asset management business included in the Corporate segment.

CSM impact (post-tax)

Approximates the after-tax amount of CSM based on current effective income tax rates in the jurisdictions in which we operate. Effective income tax rates are subject to change in the future and would have an impact on the actual after-tax impact of these assumption changes.

Run-rate insurance results

This metric is a non-GAAP financial measure and represents the expected earnings on long term business and the run rate on short term or fee business. Taken together, this is an indicator of the recurring revenue of the business. It is calculated by adding short-term insurance contracts, risk adjustment release and CSM recognized for services provided.

Non-GAAP Ratios

A non-GAAP ratio is a financial measure in the form of a ratio, fraction, percentage or similar representation that is not disclosed in the financial statements of the Company and has a non-GAAP financial measure as one or more of its components. These financial measures do not have a standardized definition under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers.

The non-GAAP ratios disclosed by the Company each use base earnings (loss) as the non-GAAP component. Base earnings (loss) reflect management's view of the underlying business performance of the Company and provides an alternate measure to understand the underlying business performance compared to net earnings.

- **Base capital generation** - This measure is expressed as a percentage of base earnings and provides a view of capital generated or consumed by the business above the Company's internal operating target level for capital. Base capital generation is calculated as base earnings plus the organic CSM and risk adjustment (RA) movements, if applicable, less the change in required capital related to new business and the run-off of in-force business at the Company's internal operating target level. These items exclude the impact of participating business and the conceptually similar items as those excluded from base earnings.
    - Organic CSM movement refers to CSM (excluding participating products), plus impact of new insurance business, plus expected movements from asset returns and locked-in rates, plus CSM recognized for services provided, plus insurance experience gains and losses.
- **Base dividend payout ratio** - Dividends paid to common shareholders are divided by base earnings (loss).
- **Base earnings per share** - Base earnings (loss) for the period is divided by the number of average common shares outstanding for the period.
- **Base return on equity** - Base earnings (loss) for the trailing four quarters are divided by the average common shareholders' equity over the trailing four quarters. This measure provides an indicator of business unit profitability.
- **Cost of management ratio** - Compares the amount paid by the Company to compensate its Named Executive Officers (NEOs) relative to the Company's base earnings for the same period. Calculated by dividing total annual compensation paid to NEOs (as disclosed in the Executive Compensation section of the Company's management proxy circular) by base earnings for the year.
- **Effective income tax rate (base earnings)** - Calculated as income tax on base earnings divided by pre-tax base earnings.
- **Efficiency ratio** - Calculated on a trailing four quarter basis as pre-tax non-par base operating and administrative expenses divided by the sum of pre-tax base earnings and pre-tax non-par base operating and administrative expenses.
- **Financial Leverage Ratio** - Calculated as the aggregate of debt, hybrid securities, and preferred shares divided by total equity plus after-tax non-participating CSM, excluding CSM associated with segregated fund guarantees. The inclusion of CSM reflects its status as future profit and available capital under LICAT.
- **Pre-tax base operating margin** - Pre-tax operating earnings expressed as a percentage of fee and spread income.

8.2 Glossary

- **Asset-based fee income -** Represents fee income earned that is directly tied to the level of client assets under advisement, management or administration; including segregated fund products.
- **Asset-based expenses and commissions** - Represents the variable expenses (such as asset-based commissions & bonuses, managed account expenses, sub-advisor and fund manager costs) incurred when generating fee and other income.
- **Assets under administration only (AUAO)** - Client assets are classified as AUAO where the Company only provides administration services for which the Company earns fees and other income. These assets are beneficially owned by the clients and the Company does not direct the investing activities. Services provided relating to assets under administration include recordkeeping, safekeeping, collecting investment income, settling of transactions or other administrative services. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volumes, size and trends. Assets included in AUAO are not included in AUMA.
- **Assets under administration (AUA), assets under management or advisement (AUMA) and client assets** - Non-GAAP financial measures. See definitions in Non-GAAP Financial Measures and Ratios section.

- **Assumption changes and management actions** - The net earnings impact of: (i) revisions to the methodologies and assumptions used in the measurement of the Company's assets, insurance contract liabilities and investment contract liabilities, and (ii) actions taken by management in the current reporting period which include, but are not limited to, changes in in-force product features (including prices), and new or revised reinsurance deals on in-force business. Assumption changes and management actions are excluded from base earnings.
- **Average client assets -** Calculated as the average of the opening and ending balances of client assets during the reporting period using daily balances where available and monthly or quarterly balances when daily balances are unavailable.
- **Business transformation and other impacts -** Business transformation and other impacts include acquisition and divestiture costs as well as restructuring and integration costs.
- **Book value per common share** - Measure is calculated by dividing Great West's common shareholders' equity, less non-controlling interest, limited recourse capital notes and preferred shares, by the number of common shares outstanding at the end of the period.
- **Contractual service margin (CSM)** - The CSM of a group of insurance contracts represents the unearned profit that the Company expects to recognize in the future as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of the fulfillment cash flows, any derecognized assets for insurance acquisition cash flows, and any cash flows arising at that date is a net inflow, the group of contracts is non-onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no net income or expenses arising on initial recognition.
- **Common shareholders' equity** - A financial measure comprised of the following items from Great West's balance sheet: share capital - common shares, accumulated surplus, accumulated other comprehensive income and contributed surplus.
- **Dividend payout ratio** - Dividends paid to common shareholders are divided by net earnings - common shareholders.
- **Drivers of earnings (DOE)** - Drivers of earnings analysis provides additional detail on the primary sources of Great West's earnings and is a consistent presentation across Canadian insurance industry peers. The DOE view presents net earnings attributable to common shareholders, comprising base earnings on a DOE basis and items excluded from base earnings. For base insurance service result, the DOE view provides detail on expected insurance earnings, the impact of new business and experience gains and losses. For base net investment result, the DOE view provides detail on expected investment earnings, credit experience, trading activity and earnings on surplus. Base other income and expenses are presented separately in the DOE view with additional detail on net fee and spread income, non-directly attributable and other expenses, income taxes on base earnings, non-controlling interests, preferred dividends and other items.
- **General Measurement Model (GMM)** - The Company applies this measurement model to all insurance contracts not measured under the PAA or VFA measurement models.
- **Gross operating and administrative expenses** - Gross operating and administrative expenses is a non-GAAP financial measure, which excludes certain insurance-related expenses, commissions and sub-advisory fees.
- **Group Benefits in-force premiums (insured)** - Represents the value of in-force premiums at the end of the reporting period where Great West underwrites the insurance risks of a group benefits solution. The Company may express the period-over-period net change in group life and health book premiums excluding the impact of foreign currency translation, which represents the net impact of new sales, terminations and organic growth of in-force business for the period.
- **Group Benefits fee and other income (ASO & other fee-based products)** - Represents administrative services only (ASO) and other fee-based income where clients self-insure the products and the Company administers it on their behalf, and other ancillary services.
- **Impact of currency movement (constant currency basis) -** Items impacting the Company's Consolidated Statements of Earnings, such as income and benefits and expenses and net earnings, are translated into Canadian dollars at an average rate for the period. These measures highlight the impact of changes in currency translation rates on Canadian dollar equivalent IFRS Accounting Standards results and have been calculated using the average rates in effect at the date of the comparative period. These measures provide useful information as it facilitates the comparability of results between periods. The exchange rates used in preparing these constant currency measures are disclosed in the Foreign Currency section of the Consolidated Operating Results.

- **Loan-to-value** - Measures the outstanding loan balance relative to the value of the underlying asset securing the loan.
- **Market experience relative to expectations** - The net earnings impact related to the direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, which includes:
  - The impact of hedge ineffectiveness related to segregated fund guarantee liabilities that are hedged and the performance of the related hedge assets;
  - The impact on segregated fund guarantee liabilities not hedged;
  - The market-related impacts that are different than expectations on surplus assets, general account assets and the insurance and investment contract liabilities they support; and
  - Other market impacts on general account assets and the insurance and investment contract liabilities they support that cannot be attributed to expectations within the period.
- **Net asset flows** - Indicator of the Company's ability to attract and retain business. Net asset flows are measured by the following:
  - Canada net asset flows include cash inflows and outflows related to segregated fund assets and proprietary and non-proprietary mutual funds.
  - Europe net asset flows include cash inflows and outflows related to segregated fund assets, proprietary mutual funds and institutional assets as well as other assets under administration.
  - Empower net asset flows include cash inflows and outflows related to segregated fund assets, general fund assets, proprietary and non-proprietary mutual funds as well as other assets under management.
  - PanAgora net asset flow include institutional sales and redemptions.
- **Net fee and spread income -** Fee and spread income less asset-based expenses and commissions.
- **Non-meaningful figure (nmf)** - Represents a non-meaningful percentage variance.
- **Non-par base operating and administrative expenses** - Non-participating base operating and administrative expenses exclude business transformation costs and other expenses that are excluded from base earnings.
- **Office of the Superintendent of Financial Institutions Canada (OSFI)** - Is an independent Canadian federal government agency that regulates and supervises federally regulated financial institutions and pension plans to determine whether they are in sound financial condition and meeting their requirements.
- **Other fee income** - Represents other fee income earned that is not directly tied to the level of client assets; and the total base insurance service result related to unit-linked, unitized with profits and variable annuity products offered by the Wealth line of business.
- **Property Catastrophe Retrocession (P&C)** - A product offered to reinsurance companies covering major weather and other catastrophic events, primarily hurricanes, windstorms and earthquakes.
- **Premium Allocation Approach (PAA)** - The Company applies this measurement model to contracts with coverage periods of one year or less and those that are relatively stable and have low variability in fulfillment cash flows. Low variability in fulfillment cash flows indicates that no significant difference in measurement exists when compared to the general measurement model (GMM).
- **Price/book value ratio** - The Company's closing share price divided by its book value per share.
- **Price/earnings ratio** - The Company's closing share price divided by its net earnings per share on a trailing four quarter basis.
- **Return on equity (ROE)** - Net earnings for the trailing four quarters are divided by the average common shareholders' equity over the trailing four quarters. This measure provides an indicator of business unit profitability.
- **Sales** - Sales are measured according to product type:
  - For risk-based Insurance & Annuities products, sales include 100% of single premium and annualized premiums expected in the first twelve months of the plan.
  - Group Benefits (insured) sales reflect annualized premiums and premium equivalents for new policies and new benefits covered or expansion of coverage on existing policies on business where the Company underwrites the insurance risks of a group benefits solution.

    - Group Benefits (ASO & other fee-based products) sales reflect annualized premiums and premium equivalents for new policies and new benefits covered or expansion of coverage on existing policies where clients self-insure the products and the Company administers it on their behalf, and other ancillary services.

- **Segmented common shareholders' equity** - The Company has a capital allocation methodology which tracks allocated capital required by each segment on a standalone basis.

  The capital allocation methodology allows the Company to calculate comparable ROE for each business unit. These ROEs are therefore based on the capital the business unit has been allocated. IFRS Accounting Standards do not prescribe the calculation of ROE and therefore a comparable measure under IFRS Accounting Standards are not available.

- **Spread income** - Represents spread income earned on general account investment products which represents the difference between earned rates and rates credited to clients; and other net investment income.

- **Variable Fee Approach (VFA)** - The Company applies this measurement model to contracts with direct participating features such as participating insurance and segregated fund business with insurance guarantees, where an investment return is provided to the policyholder based on a defined pool of items (e.g., a portfolio of assets).

8.3 Disclosure Controls and Procedures

The Company’s disclosure controls and procedures are designed to provide reasonable assurance that information relating to the Company which is required to be disclosed in reports filed under provincial and territorial securities legislation is: (a) recorded, processed, summarized and reported within the time periods specified in the provincial and territorial securities legislation, and (b) accumulated and communicated to the Company's senior management, including the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

8.4 Internal Control Over Financial Reporting

The Company’s internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. The Company’s management is responsible for establishing and maintaining effective internal control over financial reporting. All internal control systems have inherent limitations and may become ineffective because of changes in conditions. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

There have been no changes during the six months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

8.5 Transactions with Related Parties

Related party transactions have not changed materially from December 31, 2025.

The Company renewed its NCIB commencing January 6, 2026 and terminating January 5, 2027 to purchase for cancellation up to but not more than 20,000,000 of its common shares at market prices. On July 28, 2026, the Company announced an amendment to its current NCIB to increase the maximum number of common shares that may be repurchased from 20,000,000 common shares to 40,000,000 common shares. The amendment is expected to become effective on July 31, 2026. Great West is permitted to purchase its shares from Power Financial Corporation and certain of its wholly-owned subsidiaries (collectively, PFC) in connection with the NCIB pursuant to an automatic disposition plan, in order for PFC to approximately maintain its proportionate percentage ownership in the Company.

8.6 Quarterly Financial Information

	2026		2025				2024	
(in $ millions, except per share amounts)	**Q2**	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Insurance revenue	$ 5,822	$ 5,699	$ 5,690	$ 5,594	$ 5,551	$ 5,486	$ 5,399	$ 5,292
Net investment income	2,700	2,506	2,611	2,588	2,319	2,335	2,685	2,249
Changes in fair value on FVTPL assets	2,484	(2,069)	(5)	1,699	954	1,259	(2,981)	6,906
Fee and other income	2,116	2,040	2,052	1,984	1,948	1,911	1,952	1,806
	$ 13,122	$ 8,176	$ 10,348	$ 11,865	$ 10,772	$ 10,991	$ 7,055	$ 16,253
Net earnings - common shareholders								
Total	$ 1,039	$ 1,192	$ 1,048	$ 1,158	$ 894	$ 860	$ 1,116	$ 859
Basic - per share	1.16	1.32	1.15	1.25	0.96	0.92	1.20	0.92
Diluted - per share	1.15	1.31	1.14	1.25	0.96	0.92	1.19	0.92

Insurance revenue
Insurance revenue for the second quarter of 2026 was $5.8 billion, an increase of $0.3 billion compared to the same quarter last year, primarily due to higher earnings from short-term insurance contracts across CRS as well as higher CSM recognized for services provided in the Europe and CRS segments, partially offset by less favourable insurance experience in Canada.

Net investment income and changes in fair value on FVTPL assets
Total net investment income, which includes net investment income and changes in fair value on FVTPL assets, for the second quarter of 2026 increased by $1.9 billion compared to the same quarter last year.

- Net investment income in the second quarter of 2026 of $2.7 billion, which excludes changes in fair value through profit or loss, increased by $0.4 billion compared to the same quarter last year, primarily due to favourable foreign exchange impacts from a stronger U.S. dollar relative to the Canadian dollar and higher bond volumes in Canada.
- Changes in fair value on FVTPL assets in the second quarter of 2026 increased by $1.5 billion compared to the same quarter last year, primarily due to higher unrealized gains driven by favourable market movements, including lower bond yields and improved derivative performance.

Fee and other income
Fee and other income for the second quarter of 2026 was $2.1 billion, an increase of $0.2 billion compared to the same quarter last year, primarily due to higher fee and spread income. The increase was driven by higher asset levels from market-driven growth across all segments, as well as business growth in the U.S.

Net earnings
Great West's consolidated net earnings attributable to common shareholders were $1,039 million for the second quarter of 2026 compared to $894 million for the same quarter last year. On a per share basis, this represents $1.16 per common share ($1.15 diluted) for the second quarter of 2026 compared to $0.96 per common share ($0.96 diluted) a year ago.

8.7 Additional Information

Additional information relating to Great West, including Great West's most recent annual consolidated financial statements, chief executive officer and chief financial officer certifications and Annual Information Form are available at www.sedarplus.ca.

(in Canadian $ millions except per share amounts)	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Insurance service result				
Insurance revenue (note 8)	$ 5,822	$ 5,551	$ 11,521	$ 11,037
Insurance service expenses	(4,510)	(4,315)	(8,809)	(8,591)
Net expenses from reinsurance contracts	(401)	(379)	(839)	(809)
	911	857	1,873	1,637
Net investment result				
Net investment income (note 5)	2,700	2,319	5,206	4,654
Changes in fair value on fair value through profit or loss (FVTPL) assets (note 5)	2,484	954	415	2,213
	5,184	3,273	5,621	6,867
Net finance expenses from insurance contracts	(4,222)	(1,637)	(4,025)	(3,063)
Net finance income (expenses) from reinsurance contracts	94	(18)	139	(157)
Changes in investment contract liabilities	(647)	(1,195)	(697)	(2,803)
	409	423	1,038	844
Net investment result - insurance contracts on account of segregated fund policyholders				
Net investment income	4,813	1,661	4,858	1,411
Net finance expenses from insurance contracts	(4,813)	(1,661)	(4,858)	(1,411)
	—	—	—	—
Other income and expenses				
Fee and other income	2,116	1,948	4,156	3,859
Operating and administrative expenses	(1,959)	(1,799)	(3,766)	(3,608)
Amortization of finite life intangible assets	(112)	(112)	(224)	(223)
Financing costs	(87)	(101)	(174)	(204)
Restructuring and integration expenses (note 4)	(15)	(266)	(35)	(277)
Earnings before income taxes	1,263	950	2,868	2,028
Income taxes (note 14)	162	30	433	187
Net earnings before non-controlling interests	1,101	920	2,435	1,841
Attributable to non-controlling interests	12	(7)	104	22
Net earnings - common shareholders, before preferred share dividends and other equity distributions	1,089	927	2,331	1,819
Preferred share dividends and other equity distributions	50	33	100	65
Net earnings - common shareholders	$ 1,039	$ 894	$ 2,231	$ 1,754
Earnings per common share (note 12)				
Basic	$ 1.16	$ 0.96	$ 2.48	$ 1.89
Diluted	$ 1.15	$ 0.96	$ 2.46	$ 1.88

(in Canadian $ millions)	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Net earnings - common shareholders, before preferred share dividends and other equity distributions	$ 1,089	$ 927	$ 2,331	$ 1,819
Other comprehensive income (loss)				
Items that may be reclassified subsequently to Consolidated Statements of Earnings				
Unrealized foreign exchange gains (losses) on translation of foreign operations	455	(641)	652	(275)
Income tax (expense) benefit	—	—	(8)	—
Unrealized gains (losses) on hedges of the net investment in foreign operations	(89)	(49)	(96)	(187)
Income tax (expense) benefit	13	(21)	17	(10)
Unrealized gains (losses) on bonds and mortgages at fair value through other comprehensive income (FVOCI)	81	43	(35)	114
Income tax (expense) benefit	(20)	(5)	4	(21)
Realized losses on bonds and mortgages at FVOCI (note 5)	2	6	11	7
Income tax expense (benefit)	(2)	—	(3)	—
Unrealized gains (losses) on cash flow hedges	291	(16)	264	55
Income tax (expense) benefit	(78)	4	(71)	(15)
Realized (gains) losses on cash flow hedges	(142)	(3)	(144)	(61)
Income tax expense (benefit)	38	—	39	16
Non-controlling interests	(47)	30	(25)	(17)
Income tax (expense) benefit	12	(8)	6	5
Total items that may be reclassified	514	(660)	611	(389)
Items that will not be reclassified to Consolidated Statements of Earnings				
Unrealized gains on stocks at FVOCI	425	200	413	153
Income tax (expense) benefit	(38)	—	(38)	—
Realized losses on stocks at FVOCI	(3)	—	(3)	—
Income tax (expense) benefit	1	—	1	—
Re-measurements on defined benefit pension and other post-employment benefit plans	135	77	204	102
Income tax (expense) benefit	(38)	(22)	(57)	(29)
Non-controlling interests	(13)	(8)	(18)	(10)
Income tax (expense) benefit	4	2	5	3
Total items that will not be reclassified	473	249	507	219
Total other comprehensive income (loss)	987	(411)	1,118	(170)
Comprehensive income	$ 2,076	$ 516	$ 3,449	$ 1,649

Consolidated Balance Sheets *(unaudited)*

(in Canadian $ millions)	June 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 9,923	$ 8,902
Bonds (note 5)	180,577	174,468
Mortgage loans (note 5)	36,578	36,873
Stocks (note 5)	22,105	21,515
Investment properties (note 5)	8,647	8,293
	257,830	250,051
Insurance contract assets (note 9)	1,586	1,571
Reinsurance contract held assets (note 9)	16,755	16,850
Goodwill	11,483	11,283
Intangible assets	4,999	4,912
Derivative financial instruments	2,111	1,863
Owner occupied properties	824	829
Fixed assets	405	395
Accounts and interest receivable	5,545	6,029
Other assets	15,447	15,190
Current income taxes	317	401
Deferred tax assets	2,490	2,285
Investments on account of segregated fund policyholders (note 10)	626,219	551,169
Total assets	$ 946,011	$ 862,828
Liabilities		
Insurance contract liabilities (note 9)	$ 165,772	$ 161,644
Investment contract liabilities	91,271	89,042
Reinsurance contract held liabilities (note 9)	860	919
Debentures and other debt instruments	8,965	8,792
Derivative financial instruments	2,913	2,412
Accounts payable	3,522	3,981
Other liabilities	10,285	10,431
Current income taxes	506	498
Deferred tax liabilities	1,096	937
Insurance contracts on account of segregated fund policyholders (note 9)	74,839	70,418
Investment contracts on account of segregated fund policyholders	551,380	480,751
Total liabilities	911,409	829,825
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	3,212	3,079
Non-controlling interests in subsidiaries	74	67
Shareholders' equity		
Share capital		
Limited recourse capital notes	1,500	1,500
Preferred shares	3,120	2,920
Common shares (note 11)	5,952	5,983
Accumulated surplus	17,702	17,503
Accumulated other comprehensive income	2,836	1,742
Contributed surplus	206	209
Total equity	34,602	33,003
Total liabilities and equity	$ 946,011	$ 862,828

(in Canadian $ millions)	**June 30, 2026**					
	Share capital	**Contributed surplus**	**Accumulated surplus**	**Accumulated other comprehensive income**	**Non-controlling interests**	**Total equity**
Balance, beginning of year	$ 10,403	$ 209	$ 17,503	$ 1,742	$ 3,146	$ 33,003
Net earnings - before preferred share dividends and other equity distributions	—	—	2,331	—	104	2,435
Other comprehensive income	—	—	—	1,118	32	1,150
	10,403	209	19,834	2,860	3,282	36,588
Preferred share dividends and other equity distributions (note 12)	—	—	(100)	—	—	(100)
Common share dividends	—	—	(1,203)	—	—	(1,203)
Shares exercised and issued under share-based payment plans (note 11)	58	(14)	—	—	10	54
Shares purchased and cancelled under normal course issuer bid (note 11)	(89)	—	(850)	—	—	(939)
Equity settlement of subsidiary's share-based plans	—	—	—	—	(6)	(6)
Transfer of FVOCI reserve on disposal of stocks	—	—	24	(24)	—	—
Issuance of preferred shares (note 11)	200	—	—	—	—	200
Share issue costs (note 11)	—	—	(3)	—	—	(3)
Share-based payment plans expense	—	11	—	—	—	11
Balance, end of period	$ 10,572	$ 206	$ 17,702	$ 2,836	$ 3,286	$ 34,602

	June 30, 2025					
	Share capital	Contributed surplus	Accumulated surplus	Accumulated other comprehensive income	Non-controlling interests	Total equity
Balance, beginning of year	$ 10,291	$ 208	$ 17,266	$ 1,776	$ 3,113	$ 32,654
Net earnings - before preferred dividends	—	—	1,819	—	22	1,841
Other comprehensive income (loss)	—	—	—	(170)	19	(151)
	10,291	208	19,085	1,606	3,154	34,344
Preferred share dividends (note 12)	—	—	(65)	—	—	(65)
Common share dividends	—	—	(1,134)	—	—	(1,134)
Shares exercised and issued under share-based payment plans (note 11)	39	(18)	—	—	16	37
Shares purchased and cancelled under normal course issuer bid (note 11)	(55)	(40)	(385)	—	—	(480)
Equity settlement of subsidiary's share-based plans	—	—	—	—	(8)	(8)
Share-based payment plans expense	—	12	—	—	—	12
Derecognition of non-controlling interest in subsidiary	—	—	—	—	(10)	(10)
Balance, end of period	$ 10,275	$ 162	$ 17,501	$ 1,606	$ 3,152	$ 32,696

Consolidated Statements of Cash Flows *(unaudited)*

(in Canadian $ millions)	For the six months ended June 30	
	2026	2025
Operations		
Earnings before income taxes	$ 2,868	$ 2,028
Income taxes paid, net of refunds received	(509)	(380)
Adjustments:		
Change in insurance contract liabilities	2,735	1,549
Change in investment contract liabilities	(854)	2,535
Change in reinsurance contract held liabilities	(69)	(44)
Change in reinsurance contract held assets	533	455
Change in insurance contract assets	7	(81)
Changes in fair value through profit or loss	(415)	(2,213)
Sales, maturities and repayments of portfolio investments	27,864	25,661
Purchases of portfolio investments	(28,697)	(26,940)
Other	(635)	(1,252)
	2,828	1,318
Financing Activities		
Issue of common shares	58	39
Issue of preferred shares (note 11)	200	—
Share issue costs (note 11)	(3)	—
Purchased and cancelled common shares	(939)	(440)
Dividends paid on common shares	(1,203)	(1,134)
Dividends paid on preferred shares and other equity distributions	(100)	(65)
	(1,987)	(1,600)
Investment Activities		
Investment in associates and joint ventures	(42)	(14)
Sale of business, net of cash and cash equivalents in subsidiary	8	—
Business acquisition	(17)	—
	(51)	(14)
Effect of changes in exchange rates on cash and cash equivalents	231	(181)
Change in cash and cash equivalents	1,021	(477)
Cash and cash equivalents, beginning of year	8,902	10,709
Cash and cash equivalents, end of period	$ 9,923	$ 10,232
Supplementary cash flow information		
Interest income received	$ 4,152	$ 4,028
Interest paid	152	182
Dividend income received	223	223

(in Canadian $ millions except per share amounts and where otherwise indicated)

1. Corporate Information

Great-West Lifeco Inc. (Great West or the Company) is a publicly listed company (Toronto Stock Exchange: GWO), incorporated and domiciled in Canada. The registered address of the Company is 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3. Great West is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

Great West is a financial services holding company with interests in the life insurance, health insurance, retirement savings, wealth and asset management, and reinsurance businesses, primarily in the United States, Canada and Europe through its operating subsidiaries including Empower Annuity Insurance Company of America (Empower) and The Canada Life Assurance Company (Canada Life).

The condensed consolidated interim unaudited financial statements (financial statements) of the Company as at and for the three and six months ended June 30, 2026 were approved by the Board of Directors on July 28, 2026.

2. Basis of Presentation and Summary of Material Accounting Policies

These financial statements should be read in conjunction with the Company's December 31, 2025 consolidated annual audited financial statements and notes thereto.

The financial statements of the Company as at June 30, 2026 have been prepared in compliance with the requirements of IAS 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) using the same accounting policies and methods of computation followed in the consolidated annual audited financial statements for the year ended December 31, 2025 except as described below.

Changes in Accounting Policies

The Company adopted the amendments to IFRS Accounting Standards for IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures* effective January 1, 2026. The amendments clarify the classification of financial assets with environmental, social and corporate governance and similar features, the settlement of liabilities through electronic payment systems, and introduce additional disclosure requirements to enhance transparency for investors.

The amendments do not impact the financial statements of the Company, except as indicated below:

- The Company applied the election permitted by the amendments to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be derecognized before the settlement date if specified criteria are met. The Company applied this election to all settlements made through electronic payment systems meeting the criteria.
- For cash settlement of financial liabilities that did not qualify for the election at period-end, the Company derecognized the associated liabilities on the settlement date. The adoption of this amendment did not have a material impact on the Company’s financial statements.

These amendments are applied retrospectively with no restatement of comparative balances.

Future Accounting Policies

The Company actively monitors changes in IFRS Accounting Standards, both proposed and released, by the IASB for potential impact on the Company. There have been no new standards issued and there have been no significant changes to the future accounting policies, that are applicable to the Company, from those disclosed in the December 31, 2025 consolidated annual audited financial statements.

Use of Significant Judgments, Estimates and Assumptions

In preparation of these financial statements, management is required to make significant judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, net earnings and related disclosures. Although some uncertainty is inherent in these judgments and estimates, management believes that the amounts recorded are reasonable. Key sources of estimation uncertainty and areas where significant judgments have been made are further described in the relevant accounting policies in note 2 of the Company's December 31, 2025 consolidated annual audited financial statements and notes thereto.

3. Business Acquisitions and Other Transactions

(a) Sale of U.K. Onshore Bond Business

On December 23, 2024, Canada Life U.K. announced the signing of an agreement to transfer its onshore bond business to Countrywide Assured plc (Countrywide), a subsidiary of Chesnara plc. Concurrently, the two parties entered into a reinsurance agreement such that the risks and rewards of the underlying business are transferred to Countrywide. The underlying assets and the related liabilities on account of segregated fund policyholders, with a carrying value of $2,851 as at June 30, 2026 ($2,787 as at December 31, 2025), are to be transferred to Countrywide subject to court approval. Subsequent to June 30, 2026, the Company received this court approval and expects the transfer to occur in the second half of 2026.

(b) Acquisition of the Retirement Plan and Benefits Administration Business of Milliman, Inc.

On June 30, 2026, Empower announced that it has entered into an agreement with Milliman, Inc. (Milliman) to acquire Milliman's retirement plan and benefits administration business for total consideration of approximately US$340. The transaction supports Empower's strategy to deliver an integrated workplace ecosystem, enhancing its ability to serve clients with broader and more comprehensive retirement and benefits solutions. The closing of the transaction is subject to customary closing conditions and regulatory approvals.

(c) Subsequent Event

On July 7, 2026, the Company issued €500 ($810) 7-year bonds and will pay an annual coupon of 3.625%, priced at 99.575% of par to yield 3.695%. The bonds are listed on the Official List of Euronext Dublin and are admitted to trading on the Global Exchange Market of Euronext Dublin.

4. Restructuring Expenses

The Company undertakes a variety of initiatives related to operational restructuring, acquisition-related integration and technology and process modernization. Only the initiatives that qualify as formal restructuring programs in accordance with IAS 37*, Provisions, Contingent Liabilities and Contingent Assets*, result in a provision. These provisions are described further below. Other restructuring and business transformation costs that do not qualify are expensed as incurred and are not included in the amounts described below.

The Company recorded restructuring provisions of $12 and $30 for the three and six months ended June 30, 2026 ($266 and $276 for the three and six months ended June 30, 2025). The provisions recorded in the three and six months ended June 30, 2026 are related to planned technology and efficiency initiatives in the United States intended to position the Company for future growth and expense savings.

As at June 30, 2026, the Company has restructuring provisions of $307 remaining in other liabilities ($365 at December 31, 2025). These provisions primarily relate to previously announced restructuring initiatives, which the Company expects to complete by the end of 2027.

5. Portfolio Investments

(a) Carrying Values and Estimated Fair Values of Portfolio Investments

	June 30, 2026		December 31, 2025	
	Carrying value	**Fair value**	Carrying value	Fair value
Bonds				
FVTPL - designated	$ 165,416	$ 165,416	$ 159,320	$ 159,320
FVTPL - mandatory	2,211	2,211	2,108	2,108
FVOCI	12,950	12,950	13,040	13,040
	180,577	180,577	174,468	174,468
Mortgage loans				
FVTPL - designated	25,595	25,595	26,139	26,139
FVTPL - mandatory	5,897	5,897	5,664	5,664
FVOCI	271	271	269	269
Amortized cost	4,815	4,366	4,801	4,350
	36,578	36,129	36,873	36,422
Stocks				
FVTPL - mandatory	19,746	19,746	19,370	19,370
FVOCI - designated	1,197	1,197	1,033	1,033
Equity method	1,162	1,453	1,112	1,255
	22,105	22,396	21,515	21,658
Investment properties	8,647	8,647	8,293	8,293
Total	$ 247,907	$ 247,749	$ 241,149	$ 240,841

(b) Net Investment Income

For the three months ended June 30, 2026	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	$ 2,015	$ 368	$ 156	$ 145	$ 134	$ 2,818
Net realized losses on derecognition of FVOCI assets	(2)	—	—	—	—	(2)
Net realized losses on derecognition of amortized cost assets	—	(1)	—	—	—	(1)
Net expected credit loss (ECL) recovery	—	1	—	—	—	1
Other income and expenses	—	—	—	(64)	(52)	(116)
	2,013	368	156	81	82	2,700
Changes in fair value on FVTPL assets:						
FVTPL - designated	1,050	72	—	—	167	1,289
FVTPL - mandatory	14	98	1,117	—	—	1,229
Recorded at fair value	—	—	—	(34)	—	(34)
	1,064	170	1,117	(34)	167	2,484
Total	$ 3,077	$ 538	$ 1,273	$ 47	$ 249	$ 5,184

For the three months ended June 30, 2025	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	$ 1,873	$ 374	$ 159	$ 136	$ (113)	$ 2,429
Net realized losses on derecognition of FVOCI assets	(6)	—	—	—	—	(6)
Net realized gains on derecognition of amortized cost assets	—	1	—	—	—	1
Net ECL recovery (charge)	(1)	2	—	—	—	1
Other income and expenses	—	—	—	(54)	(52)	(106)
	1,866	377	159	82	(165)	2,319
Changes in fair value on FVTPL assets:						
FVTPL - designated	322	39	—	—	(325)	36
FVTPL - mandatory	1	84	896	—	—	981
Recorded at fair value	—	—	—	(63)	—	(63)
	323	123	896	(63)	(325)	954
Total	$ 2,189	$ 500	$ 1,055	$ 19	$ (490)	$ 3,273

For the six months ended June 30, 2026	**Bonds**	**Mortgage loans**	**Stocks**	**Investment properties**	**Other**	**Total**
Net investment income:						
Investment income earned	$ 3,885	$ 723	$ 301	$ 286	$ 242	$ 5,437
Net realized losses on derecognition of FVOCI assets	(11)	—	—	—	—	(11)
Net realized losses on derecognition of amortized cost assets	—	(4)	—	—	—	(4)
Net ECL recovery	—	8	—	—	—	8
Other income and expenses	—	—	—	(126)	(98)	(224)
	3,874	727	301	160	144	5,206
Changes in fair value on FVTPL assets:						
FVTPL - designated	(934)	16	—	—	123	(795)
FVTPL - mandatory	(4)	(96)	1,319	—	—	1,219
Recorded at fair value	—	—	—	(9)	—	(9)
	(938)	(80)	1,319	(9)	123	415
Total	$ 2,936	$ 647	$ 1,620	$ 151	$ 267	$ 5,621

For the six months ended June 30, 2025	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	$ 3,661	$ 760	$ 303	$ 275	$ (138)	$ 4,861
Net realized losses on derecognition of FVOCI assets	(7)	—	—	—	—	(7)
Net realized gains on derecognition of amortized cost assets	—	1	—	—	—	1
Net ECL recovery (charge)	(1)	5	—	—	—	4
Other income and expenses	—	—	—	(108)	(97)	(205)
	3,653	766	303	167	(235)	4,654
Changes in fair value on FVTPL assets:						
FVTPL - designated	1,018	385	—	—	(114)	1,289
FVTPL - mandatory	9	43	960	—	—	1,012
Recorded at fair value	—	—	—	(88)	—	(88)
	1,027	428	960	(88)	(114)	2,213
Total	$ 4,680	$ 1,194	$ 1,263	$ 79	$ (349)	$ 6,867

Investment income from bonds and mortgage loans includes interest income, and premium and discount amortization. Investment income from stocks includes dividends and distributions from private equity funds. Investment properties income includes rental income earned on investment properties, ground rent income earned on leased and sub-leased land, fee recoveries, lease cancellation income, and interest and other investment income earned on investment properties. Other investment income and expenses includes expenses incurred by investment properties, foreign exchange gains and losses, income earned from derivative financial instruments, and equity income from the investments in IGM Financial Inc. (IGM) and other related parties.

6. Risk Management

The Company has policies relating to the identification, measurement, management, monitoring and reporting of risks associated with financial instruments and insurance contracts. The key risks related to financial instruments are credit risk, liquidity risk and market risk (currency, interest rate and equity). The Risk Committee of the Board of Directors is responsible for the oversight of the Company's key risks. The Company's approach to risk management has not substantially changed from that described in the Company's 2025 Annual Report. Certain risks have been outlined below. The Company has also established policies and procedures designed to identify, measure and report all material risks.

(a) Credit Risk

Credit risk is the risk of loss resulting from an obligor's potential inability or unwillingness to fully meet its contractual obligations.

(i) Concentration of Credit Risk

Concentrations of credit risk arise from exposures to a single obligor, a group of related obligors or groups of obligors that have similar credit risk characteristics and operate in the same geographic region or in similar industries. The characteristics are similar in that changes in economic or political environments may impact their ability to meet obligations as they come due. No significant changes have occurred from the year ended December 31, 2025.

(ii) Expected Credit Losses

The majority of the Company's financial assets are measured at FVTPL and therefore are not subject to the ECL model. The ECL model only applies to FVOCI and amortized cost fixed income investments. The ECL allowance was $17 at June 30, 2026, of which $4 was Stage 1, $10 was Stage 2 and $3 was Stage 3 ($25 at December 31, 2025, of which $4 was Stage 1, $16 was Stage 2 and $5 was Stage 3).

(iii) Credit Impact on Financial Assets and Liabilities Designated as FVTPL

The carrying value of the Company’s financial assets and liabilities designated as FVTPL represents the maximum exposure to credit risk for those financial instruments. The change in fair value attributable to the change in credit risk of these financial instruments is generally insignificant in the absence of significant credit events occurring on specific financial instruments. Fair value losses of $25 and $47 for the three and six months ended June 30, 2026, respectively ($69 and $125 for the three and six months ended June 30, 2025) are reflected in the Consolidated Statements of Earnings related to significant credit events occurring on financial instruments designated as FVTPL.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet all cash outflow obligations as they come due. The following policies and procedures are in place to manage this risk:

- The Company closely manages operating liquidity through cash flow matching of assets and liabilities and forecasting earned and required yields, to ensure consistency between policyholder requirements and the yield of assets.
- Management closely monitors the solvency and capital positions of its principal subsidiaries opposite liquidity requirements at the holding company. Additional liquidity is available through established lines of credit or via capital market transactions. The Company maintains committed lines of credit with Canadian chartered banks.

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument and the value of insurance and investment contract liabilities will fluctuate as a result of changes in market factors which include three types: currency risk, interest rate (including related inflation) risk and equity risk.

Caution Related to Risk Sensitivities

These financial statements include estimates of sensitivities and risk exposure measures for certain risks, such as the sensitivity due to specific changes in interest rate levels projected and market prices as at the valuation date. Actual results can differ significantly from these estimates for a variety of reasons including, but not limited to, changes in the Company’s asset or liability profile, changes in business mix, effective income tax rates, other market factors, differences in the actual exposure relative to broad market indices, variation in exposures by geography, and general limitations of the Company’s internal models.

For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors. Given the nature of these calculations, the Company cannot provide assurance that the actual impact on shareholders' net earnings will be as indicated.

(i) Currency Risk

Currency risk relates to the Company operating and holding financial instruments in different currencies. For the assets backing insurance and investment contract liabilities that are not matched by currency, changes in foreign exchange rates can expose the Company to the risk of foreign exchange losses not offset by liability decreases.

- A 10% weakening of the Canadian dollar against foreign currencies would be expected to increase non-participating insurance and investment contract liabilities and their supporting assets by approximately the same amount resulting in an immaterial immediate change to net earnings. A 10% strengthening of the Canadian dollar against foreign currencies would be expected to decrease non-participating insurance and investment contract liabilities and their supporting assets by approximately the same amount resulting in an immaterial immediate change in shareholders' net earnings.

The Company has net investments in foreign operations. The Company's debt obligations are denominated in Canadian dollars, euros, and U.S. dollars. Foreign currency translation gains and losses from net investments in foreign operations, net of related hedging activities and tax effects, are recorded in accumulated other comprehensive income. Strengthening or weakening of the Canadian dollar spot rate compared to the U.S. dollar, British pound and euro spot rates impacts the Company's total equity. Correspondingly, the Company's book value per share and capital ratios monitored by rating agencies are also impacted.

(ii) Interest Rate Risk

Interest rate risk exists if asset and liability cash flows are not closely matched and interest rates change, causing a difference in the value of assets and the value of liabilities. The following policies and procedures are in place to mitigate the Company's exposure to interest rate risk:

- Interest rate risk is managed by investing in assets that are suitable for the products sold.
- The Company utilizes a formal process for managing the matching of assets and liabilities. This involves grouping general fund assets and liabilities into segments. Assets in each segment are managed in relation to the liabilities in the segment.
- For products with fixed and highly predictable benefit payments, investments are generally made in fixed income assets or investment properties whose cash flows closely match the liability product cash flows. Where assets are not available to match certain period cash flows, such as long-tail cash flows, a portion of these are invested in equities and other non-fixed income assets, while the rest are duration matched.
- Hedging instruments are employed when there is a lack of suitable permanent investments or to manage the level of loss exposure to interest rate changes.
- To the extent asset and liability cash flows are matched, protection against interest rate change is achieved and any change in the fair value of the assets will be offset by a similar change in the fair value of the liabilities.
- For products with less predictable timing of benefit payments, investments are made in fixed income assets with cash flows of a shorter duration than the anticipated timing of benefit payments, or equities and other non-fixed income assets.
- The risk associated with the mismatch in portfolio duration and cash flow, asset prepayment exposure and the pace of asset acquisition are quantified and reviewed regularly.

The impact to shareholders' net earnings from changes in the interest rates would be largely offset by changes in the value of financial assets supporting the liabilities. However, differences in the interest rate sensitivity in the value of assets and the value of insurance and investment contract liabilities leads to a sensitivity to interest rate movements in shareholders' net earnings.

The Company's asset liability management strategy uses public equities and other non-fixed income assets as a component of general fund assets supporting liabilities, which leads to interest rate exposure in shareholders' net earnings. Further, the classification of financial assets, such as mortgage assets in the United Kingdom which are carried at amortized cost and held in the general fund assets supporting liabilities, also contributes to interest rate exposure in shareholders' net earnings.

The impact to shareholders' net earnings and equity from an immediate parallel 50 basis point increase or decrease in interest rates is illustrated in the table below, rounded to the nearest $25:

Change in Market Yield Curves

	June 30, 2026		December 31, 2025	
	Increase 50 basis points interest rates	**Decrease 50 basis points interest rates**	Increase 50 basis points interest rates	Decrease 50 basis points interest rates
Net earnings – common shareholders	$ 25	$ (50)	$ 25	$ (50)
Shareholders' equity	(25)	(25)	—	(25)

The sensitivities above reflect the immediate impacts on shareholders' net earnings and shareholders' equity from market movements.

Actual impacts of interest rate changes will vary depending upon the geography where the changes occur. Net earnings are positively impacted by a parallel increase in interest rates and credit spreads in Canada and the United Kingdom, and are positively impacted by a parallel decrease in interest rates in the United States and eurozone. Actual impacts of interest rate changes also vary by the level of change in interest rates by term. Therefore, actual impacts from interest rate changes may differ materially from the estimated impact of parallel movements in all geographies, which is presented above.

The potential impact on shareholders' net earnings of the Company does not take into account any future potential changes to the Company's ultimate investment rate (UIR) assumptions. As at both June 30, 2026 and December 31, 2025, the sensitivity of shareholders' net earnings of the Company to a 10 basis point increase or decrease in the UIR in all geographies would be an increase of $10 or a decrease of $10 post-tax, respectively, when rounded to the nearest $10.

The impact to shareholders' net earnings and equity from an immediate parallel 50 basis point increase or decrease in credit spreads is illustrated in the table below, rounded to the nearest $25, with no change to the ultimate illiquidity premium:

Change in Credit Spreads

	June 30, 2026		December 31, 2025	
	Increase 50 basis points credit spreads	**Decrease 50 basis points credit spreads**	Increase 50 basis points credit spreads	Decrease 50 basis points credit spreads
Net earnings – common shareholders	$ 200	$ (225)	$ 150	$ (200)
Shareholders' equity	250	(325)	225	(300)

The sensitivities above reflect the immediate impacts on shareholders' net earnings and shareholders' equity from market movements.

Actual impacts of credit spread changes will vary depending on the geographies where the changes occur, and the changes in credit spreads by term. A change in credit spreads may also lead to a change in the allowance for credit risk within the discount rate, depending on prevailing market and credit conditions at the time; any potential earnings impacts that may arise from such a change are not reflected in the sensitivities above.

(iii) Equity Risk

Equity risk is the uncertainty associated with the valuation of assets and liabilities arising from changes in equity markets and other pricing risk. To mitigate this risk, the Company has investment policy guidelines in place that provide for prudent investment in equity markets within clearly defined limits. The risks associated with segregated fund guarantees on lifetime Guaranteed Minimum Withdrawal Benefits have been mitigated through a hedging program using equity futures, currency forwards, and interest rate derivatives.

Some insurance and investment contract liabilities with long-tail cash flows are supported by publicly traded common stocks and investments in other non-fixed income assets, primarily comprised of investment properties, real estate funds, private stocks, and equity release mortgages. Shareholders' net earnings will reflect changes in the values of non-fixed income assets. However, in most cases the value of the liabilities will not fluctuate with changes in the value of the non-fixed income assets.

The liabilities for segregated fund products with guarantees will fluctuate with changes in the value of the non-fixed income assets. Under current market conditions, there are no material earnings impacts to the Company on segregated fund business that it does not hedge, as changes in the cost of guarantees are offset within the contractual service margin (CSM). For segregated fund business that the Company hedges, there is a limited earnings impact with respect to the change in liability versus the change in hedge assets.

The following table provides information on the expected impacts of an immediate 10% or 20% increase or decrease in the value of publicly traded common stocks on the shareholders' net earnings and equity, rounded to the nearest $25:

Change in Publicly Traded Common Stock Values

	June 30, 2026				December 31, 2025			
	20% increase	**10% increase**	**10% decrease**	**20% decrease**	20% increase	10% increase	10% decrease	20% decrease
Net earnings – common shareholders	$ 50	$ 25	$ (25)	$ (50)	$ 75	$ 50	$ (50)	$ (75)
Shareholders' equity	525	275	(275)	(550)	500	250	(250)	(525)

The sensitivities above reflect the immediate impacts on shareholders' net earnings and shareholders' equity from market movements.

The following table provides information on the expected impacts of an immediate 5% or 10% increase or decrease in the value of other non-fixed income assets on the shareholders' net earnings and equity, rounded to the nearest $25:

Change in Other Non-Fixed Income Asset Values

	June 30, 2026				December 31, 2025			
	10% increase	**5% increase**	**5% decrease**	**10% decrease**	10% increase	5% increase	5% decrease	10% decrease
Net earnings – common shareholders	$ 600	$ 300	$ (325)	$ (650)	$ 550	$ 275	$ (300)	$ (600)
Shareholders' equity	650	325	(350)	(675)	600	300	(325)	(650)

The sensitivities above reflect the immediate impacts on shareholders' net earnings and shareholders' equity from market movements.

7. Fair Value Measurement

The Company's assets and liabilities recorded at fair value have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Assets and liabilities utilizing Level 1 inputs include actively exchange-traded equity securities, exchange-traded futures, and mutual and segregated funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, government and agency securities, restricted stock, some private bonds and investment funds, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans. Investment contracts that are measured at FVTPL are mostly included in the Level 2 category. Notes issued by consolidated Collateralized Loan Obligations (CLOs) are measured at FVTPL and included in Level 2.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds, certain asset-backed securities, some private equities, investments in mutual and segregated funds where there are redemption restrictions, certain over-the-counter derivatives, investment properties and equity release mortgages.

The following presents the Company's assets and liabilities measured at fair value on a recurring basis by hierarchy level:

	June 30, 2026				December 31, 2025			
Assets measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 9,923	$ —	$ —	$ 9,923	$ 8,902	$ —	$ —	$ 8,902
Financial assets at FVTPL								
Bonds	—	166,902	725	167,627	—	161,130	298	161,428
Mortgage loans	—	25,595	5,897	31,492	—	26,139	5,664	31,803
Stocks	12,048	177	7,521	19,746	12,559	183	6,628	19,370
Total financial assets at FVTPL	12,048	192,674	14,143	218,865	12,559	187,452	12,590	212,601
Financial assets at FVOCI								
Bonds	—	12,950	—	12,950	—	13,040	—	13,040
Mortgage loans	—	271	—	271	—	269	—	269
Stocks	1,197	—	—	1,197	1,033	—	—	1,033
Total financial assets at FVOCI	1,197	13,221	—	14,418	1,033	13,309	—	14,342
Investment properties	—	—	8,647	8,647	—	—	8,293	8,293
Derivatives [1]	—	2,111	—	2,111	2	1,861	—	1,863
Other assets:								
Trading account assets	262	3,871	—	4,133	244	3,751	—	3,995
Other [2]	—	237	—	237	—	615	—	615
Total assets measured at fair value	$ 23,430	$ 212,114	$ 22,790	$ 258,334	$ 22,740	$ 206,988	$ 20,883	$ 250,611
Liabilities measured at fair value								
Mortgage on investment property	$ —	$ 52	$ —	$ 52	$ —	$ 51	$ —	$ 51
Derivatives [3]	5	2,908	—	2,913	3	2,409	—	2,412
Investment contract liabilities	—	91,271	—	91,271	—	89,042	—	89,042
Collateralized loan obligation liabilities	—	4,091	—	4,091	—	3,904	—	3,904
Other liabilities [2]	—	237	—	237	—	615	—	615
Total liabilities measured at fair value	$ 5	$ 98,559	$ —	$ 98,564	$ 3	$ 96,021	$ —	$ 96,024

[1] Excludes collateral received from counterparties of $567 at June 30, 2026 ($523 at December 31, 2025).

[2] Includes collateral received under securities lending arrangements.

[3] Excludes collateral pledged to counterparties of $2,307 at June 30, 2026 ($1,551 at December 31, 2025).

There were no transfers of the Company's assets and liabilities between Level 1 and Level 2 during the period ended June 30, 2026 and the year ended December 31, 2025.

The following presents additional information about assets and liabilities measured at fair value on a recurring basis and for which the Company has utilized Level 3 inputs to determine fair value:

	For the six months ended June 30, 2026				
	FVTPL bonds	**FVTPL mortgage loans**	**FVTPL stocks [3]**	**Investment properties**	**Total Level 3 assets**
Balance, beginning of year	$ 298	$ 5,664	$ 6,628	$ 8,293	$ 20,883
Total gains (losses)					
Included in net earnings	19	22	250	(9)	282
Included in other comprehensive income [1]	1	53	89	108	251
Purchases	105	—	747	267	1,119
Issues	—	287	—	—	287
Sales	(6)	—	(193)	(12)	(211)
Settlements	—	(129)	—	—	(129)
Transferred from owner occupied properties	—	—	—	—	—
Transfers into Level 3 [2]	308	—	—	—	308
Transfers out of Level 3 [2]	—	—	—	—	—
Balance, end of period	$ 725	$ 5,897	$ 7,521	$ 8,647	$ 22,790
Total gains (losses) for the period included in net investment result	$ 19	$ 22	$ 250	$ (9)	$ 282
Change in unrealized gains (losses) for the period included in net earnings for assets held at June 30, 2026	$ 19	$ 21	$ 244	$ (9)	$ 275

	For the year ended December 31, 2025				
	FVTPL bonds	FVTPL mortgage loans	FVTPL stocks [3]	Investment properties	Total Level 3 assets
Balance, beginning of year	$ 178	$ 4,818	$ 5,581	$ 8,257	$ 18,834
Total gains (losses)					
Included in net earnings	(6)	274	361	(159)	470
Included in other comprehensive income [1]	3	84	(103)	(42)	(58)
Purchases	50	—	1,216	650	1,916
Issues	—	739	—	—	739
Sales	(5)	—	(427)	(439)	(871)
Settlements	—	(251)	—	—	(251)
Transferred from owner occupied properties	—	—	—	26	26
Transfers into Level 3 [2]	78	—	—	—	78
Transfers out of Level 3 [2]	—	—	—	—	—
Balance, end of year	$ 298	$ 5,664	$ 6,628	$ 8,293	$ 20,883
Total gains (losses) for the year included in net investment result	$ (6)	$ 274	$ 361	$ (159)	$ 470
Change in unrealized gains (losses) for the year included in net earnings for assets held at December 31, 2025	$ (6)	$ 262	$ 294	$ (159)	$ 391

[1] Amount of other comprehensive income for FVTPL bonds, mortgage loans and investment properties represents the unrealized gains (losses) on foreign exchange.

[2] Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies or the placement of redemption restrictions on investments in mutual and segregated funds. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors or the lifting of redemption restrictions on investments in mutual and segregated funds.

[3] Includes investments in mutual and segregated funds where there are redemption restrictions. The fair value is based on observable, quoted prices.

The following sets out information about significant unobservable inputs used at period-end in measuring assets categorized as Level 3 in the fair value hierarchy:

Type of asset	Valuation approach	Significant unobservable input	Input value	Inter-relationship between key unobservable inputs and fair value measurement
Investment properties	Investment properties are primarily valued using a discounted cash flow model. The determination of the fair value of investment properties requires the use of estimates such as future cash flows (such as future leasing assumptions, rental rates, capital and operating expenditures), discount rates and terminal capitalization rates applicable to the asset based on current market rates.	Discount rate	Range of 4.5% - 15.2%	A decrease in the discount rate would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.
		Terminal capitalization rate	Range of 4.3% - 11.0%	A decrease in the terminal capitalization rate would result in an increase in fair value. An increase in the terminal capitalization rate would result in a decrease in fair value.
		Vacancy rate	Weighted average of 8.1%	A decrease in the expected vacancy rate would generally result in an increase in fair value. An increase in the expected vacancy rate would generally result in a decrease in fair value.
Mortgage loans - equity release mortgages (FVTPL)	The valuation approach for equity release mortgages is to use an internal valuation model to determine the projected asset cash flows, including the cost of the no negative equity guarantee for each individual loan, to aggregate these across all loans and to discount those cash flows back to the valuation date. The projection is done monthly until expected redemption of the loan either voluntarily or on the death/ entering into long term care of the loanholders.	Discount rate	Range of 5.0% - 6.7%	A decrease in the discount rate would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.

Stocks categorized as level 3 in the fair value hierarchy relate to limited partnership investments which are reported at fair value on initial recognition and subsequently remeasured at fair value at each reporting period based on the closing net asset value provided by the fund managers. Most of the FVTPL bonds categorized as level 3 are private placements for which the valuation approach is similar to that of the stocks in level 3.

8. Insurance Revenue

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	**2026**	2025
Contracts not measured under the premium allocation approach (PAA)				
Amounts relating to changes in liabilities for remaining coverage				
Experience adjustments	$ (27)	$ (18)	$ (35)	$ (45)
CSM recognized for services provided	359	340	709	671
Change in risk adjustment for non-financial risk for risk expired	152	149	305	302
Expected incurred claims and other insurance service expenses	2,515	2,481	4,995	4,921
Recovery of insurance acquisition cash flows	167	161	362	328
	3,166	3,113	6,336	6,177
Contracts measured under the PAA	2,656	2,438	5,185	4,860
Total insurance revenue	$ 5,822	$ 5,551	$ 11,521	$ 11,037

9. Insurance Contracts and Reinsurance Contracts Held

(a) Insurance Contract (Assets) / Liabilities

	June 30, 2026				
	Not measured under the PAA				
	Estimates of present value of future cash flows	**Risk adjustment for non-financial risk**	**CSM**	**PAA**	**Total**
Assets	$ (7,344)	$ 1,569	$ 4,369	$ (180)	$ (1,586)
Liabilities	136,692	4,991	10,054	14,035	165,772
Liabilities on account of segregated fund policyholders	74,839	—	—	—	74,839
	$ 204,187	$ 6,560	$ 14,423	$ 13,855	$ 239,025

	December 31, 2025				
	Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total
Assets	$ (7,185)	$ 1,549	$ 4,267	$ (202)	$ (1,571)
Liabilities	132,620	5,044	10,130	13,850	161,644
Liabilities on account of segregated fund policyholders	70,418	—	—	—	70,418
	$ 195,853	$ 6,593	$ 14,397	$ 13,648	$ 230,491

(b) Reinsurance Contract Held Assets / (Liabilities)

	June 30, 2026				
	Not measured under the PAA				
	Estimates of present value of future cash flows	**Risk adjustment for non-financial risk**	**CSM**	**PAA**	**Total**
Assets	$ 15,570	$ 718	$ 298	$ 169	$ 16,755
Liabilities	(2,579)	1,146	583	(10)	(860)
	$ 12,991	$ 1,864	$ 881	$ 159	$ 15,895

	December 31, 2025				
	Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total
Assets	$ 15,713	$ 708	$ 255	$ 174	$ 16,850
Liabilities	(2,633)	1,109	612	(7)	(919)
	$ 13,080	$ 1,817	$ 867	$ 167	$ 15,931

10. Segregated Funds

The following presents further details of the investments, determined in accordance with the relevant statutory reporting requirements of each region of the Company's operations, on account of segregated fund policyholders:

(a) Changes in Insurance and Investment Contracts on Account of Segregated Fund Policyholders

	For the six months ended June 30	
	2026	2025
Balance, beginning of year	$ 551,169	$ 496,386
Additions (deductions):		
Policyholder deposits	50,150	29,158
Net investment income	2,556	2,221
Net realized capital gains on investments	13,802	9,467
Net unrealized capital gains (losses) on investments	29,234	4,835
Unrealized gains (losses) due to changes in foreign exchange rates	11,402	(1,680)
Policyholder withdrawals	(34,863)	(31,539)
Change in segregated fund investment in general fund	(17)	13
Change in general fund investment in segregated fund	(6)	—
Net transfer from general fund	9	7
Non-controlling mutual funds interest	2,783	447
Total	75,050	12,929
Balance, end of period [1, 2]	$ 626,219	$ 509,315

[1] At June 30, 2026, $59,941 of investments on account of segregated fund policyholders are reinsured by the Company on a modified coinsurance basis ($58,675 at December 31, 2025). Included in this amount are $600 of cash and cash equivalents, $9,416 of bonds, $17 of stocks and units in unit trusts, $49,852 of mutual funds, $77 of accrued income and $(21) of other liabilities.

[2] At June 30, 2026, $2,851 of investments on account of segregated fund policyholders on the Company's Consolidated Balance Sheets are expected to be transferred to Countrywide in 2026 ($2,787 at December 31, 2025) (note 3). Included in this amount are $93 of cash and cash equivalents, $2,786 of stocks and units in unit trusts and $(28) of other liabilities.

(b) Investments on Account of Segregated Fund Policyholders by Fair Value Hierarchy Level

	June 30, 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments on account of segregated fund policyholders [1]	$ 468,638	$ 142,540	$ 17,675	$ 628,853

[1] Excludes other liabilities, net of other assets, of $2,634.

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Investments on account of segregated fund policyholders [1]	$ 402,281	$ 139,230	$ 14,013	$ 555,524

[1] Excludes other liabilities, net of other assets, of $4,355.

For the six months ended June 30, 2026, certain foreign stock holdings valued at $493 have been transferred from Level 2 to Level 1 ($2,779 were transferred from Level 1 to Level 2 at December 31, 2025) primarily based on the Company's change in use of inputs in addition to quoted prices in active markets for certain foreign stock holdings. Level 2 assets include those assets where fair value is not available from normal market pricing sources, where inputs are utilized in addition to quoted prices in active markets and where the Company does not have access to the underlying asset details within an investment fund.

The following presents additional information about the Company's investments on account of segregated fund policyholders for which the Company has utilized Level 3 inputs to determine fair value:

	June 30, 2026	December 31, 2025
Balance, beginning of year	$ 14,013	$ 13,354
Total gains (losses) included in segregated fund investment income	275	(450)
Purchases	427	2,067
Sales	(473)	(1,066)
Transfers into Level 3	3,588	135
Transfers out of Level 3	(155)	(27)
Balance, end of period	$ 17,675	$ 14,013

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

11. Share Capital

Common Shares

	For the six months ended June 30			
	2026		2025	
	Number	Carrying value	Number	Carrying value
Common shares				
Balance, beginning of year	906,331,875	$ 5,983	932,107,643	$ 6,071
Shares exercised and issued under share-based payment plans	1,530,812	58	1,035,148	39
Shares purchased and cancelled under normal course issuer bid	(13,397,692)	(925)	(8,384,563)	(432)
Excess of redemption proceeds over stated capital per normal course issuer bid	—	836	—	377
Balance, end of period	894,464,995	$ 5,952	924,758,228	$ 6,055

During the six months ended June 30, 2026, 1,530,812 common shares were exercised under the Company's stock option plan with a carrying value of $58, including $14 from contributed surplus transferred upon exercise (1,035,148 with a carrying value of $39, including $18 from contributed surplus transferred upon exercise for the six months ended June 30, 2025).

On January 2, 2026, the Company announced the renewal of its normal course issuer bid (NCIB) commencing January 6, 2026 and terminating January 5, 2027 to purchase for cancellation up to, but not more than, 20,000,000 of its common shares at market prices. The renewed NCIB continues to permit the Company to purchase its shares from Power Financial Corporation and certain of its wholly-owned subsidiaries (collectively, PFC) in order for PFC to approximately maintain its proportionate percentage ownership in the Company. On July 28, 2026, the Company announced an amendment to its current NCIB to increase the maximum number of common shares that may be repurchased from 20,000,000 common shares to 40,000,000 common shares. The amendment is expected to become effective on July 31, 2026.

During the first quarter of 2026, the Company entered into an automatic purchase plan (APP) with a designated broker to facilitate repurchases of common shares under the NCIB, including at times when the Company would ordinarily not be permitted to make purchases due to regulatory restrictions or self-imposed blackout periods. As at June 30, 2026, no obligation for the repurchase of shares under the APP was recognized.

During the six months ended June 30, 2026, the Company repurchased and subsequently cancelled 13,397,692 common shares under the current NCIB at a cost of $925 (8,384,563 common shares at a cost of $432 for the six months ended June 30, 2025, under the previous NCIB). The Company’s share capital was reduced by the average carrying value of the shares repurchased for cancellation. The excess paid over the average carrying value, including associated taxes and other related fees, was $850 and was recognized as a reduction to accumulated surplus for the six months ended June 30, 2026 ($385 for the six months ended June 30, 2025, under the previous NCIB).

Preferred Shares

On June 22, 2026, the Company issued 8,000,000, 5.70% Non-Cumulative First Preferred Shares, Series 24 at $25.00 per share for gross proceeds of $200. Transaction costs incurred in connection with the preferred share issue of $4 ($3 after-tax) were charged to accumulated surplus.

12. Earnings Per Common Share

The following provides the reconciliation between basic and diluted earnings per common share:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	**2026**	2025
Earnings				
Net earnings - common shareholders, before preferred share dividends and other equity distributions	$ 1,089	$ 927	$ 2,331	$ 1,819
Preferred share dividends and other equity distributions	(50)	(33)	(100)	(65)
Net earnings - common shareholders	$ 1,039	$ 894	$ 2,231	$ 1,754
Number of common shares				
Average number of common shares outstanding	896,475,776	928,546,140	899,418,426	930,125,524
Add: Potential exercise of outstanding stock options	7,025,556	4,344,589	6,376,027	4,284,985
Average number of common shares outstanding - diluted basis	903,501,332	932,890,729	905,794,453	934,410,509
Basic earnings per common share	$ 1.16	$ 0.96	$ 2.48	$ 1.89
Diluted earnings per common share	$ 1.15	$ 0.96	$ 2.46	$ 1.88
Dividends per common share	$ 0.670	$ 0.610	$ 1.340	$ 1.220

13. Capital Management

Managing capital is the continual process of establishing and maintaining the quantity and quality of capital appropriate for the Company and ensuring capital is deployed in a manner consistent with the expectations of the Company's stakeholders. For these purposes, the Board of Directors considers the key stakeholders to be the Company's shareholders, policyholders and holders of subordinated liabilities in addition to the relevant regulators in the various jurisdictions where the Company and its subsidiaries operate. Further details on the Company's capital and how it is managed are described in the Company's 2025 Annual Report.

In Canada, The Office of the Superintendent of Financial Institutions (OSFI) has established a regulatory capital adequacy measurement for life insurance companies incorporated under the Insurance Companies Act (Canada) and their subsidiaries.

The Life Insurance Capital Adequacy Test (LICAT) Ratio compares the regulatory capital resources of a company to its required capital, defined by OSFI, as the aggregate of all defined capital requirements. As at June 30, 2026, Canada Life's LICAT ratio exceeded OSFI's minimum regulatory target.

As at June 30, 2026, the Company's foreign operations and foreign subsidiaries met all applicable local capital and solvency requirements.

14. Income Taxes

(a) Income Tax Expense

Income tax recognized in Consolidated Statements of Earnings:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	**2026**	2025
Current income tax				
Current income tax	$ 235	$ 55	$ 506	$ 209
Global Minimum Tax (GMT)	31	37	77	68
Total current income tax	266	92	583	277
Total deferred income tax	(104)	(62)	(150)	(90)
Total income tax expense	$ 162	$ 30	$ 433	$ 187

(b) Effective Income Tax Rate

The Company's effective income tax rate is generally lower than the statutory income tax rate of 28.0% due to benefits related to non-taxable investment income and lower income tax rates in certain foreign jurisdictions.

The effective income tax rate varies from period to period as a result of changes in the jurisdictional mix of earnings and movements in non-taxable investment income. It may also be affected by other items such as provision-to-return adjustments, tax rate changes, the recognition of tax credits and updates to tax estimates, including deferred tax asset recoverability and uncertain tax position estimates.

The effective income tax rate, calculated based on earnings before income taxes, for the three and six months ended June 30, 2026 was 12.8% and 15.1%, respectively (3.2% and 9.2% for the three and six months ended June 30, 2025, respectively).

The effective income tax rate for the shareholder account for the three and six months ended June 30, 2026 was 14.0% and 15.8%, respectively (5.9% and 11.2% for the three and six months ended June 30, 2025, respectively).

The Company has applied the mandatory temporary exception in IAS 12, *Income Taxes* from recognizing and disclosing deferred tax assets and liabilities related to the GMT.

15. Segmented Information

(a) Consolidated Net Earnings

	For the three months ended June 30, 2026					
	United States	Canada	Europe	Capital and Risk Solutions	Corporate	Total
Segment revenue						
Insurance revenue [1]	$ —	$ 2,504	$ 1,905	$ 1,379	$ 34	$ 5,822
Net investment income [2]	914	1,051	585	93	57	2,700
Changes in fair value on FVTPL assets [2]	12	2,120	369	(52)	35	2,484
	926	5,675	2,859	1,420	126	11,006
Fee and other income [3]	1,269	559	247	5	36	2,116
	2,195	6,234	3,106	1,425	162	13,122
Other insurance results						
Insurance service expenses	—	(1,793)	(1,635)	(1,050)	(32)	(4,510)
Net expenses from reinsurance contracts	—	(357)	(24)	(13)	(7)	(401)
	—	(2,150)	(1,659)	(1,063)	(39)	(4,911)
Other investment results						
Net finance income (expenses) from insurance contracts	—	(3,137)	(1,036)	2	(51)	(4,222)
Net finance income (expenses) from reinsurance contracts	—	33	83	(3)	(19)	94
Changes in investment contract liabilities	(606)	(26)	(9)	(5)	(1)	(647)
	(606)	(3,130)	(962)	(6)	(71)	(4,775)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income	—	3,545	1,268	—	—	4,813
Net finance expenses from insurance contracts	—	(3,545)	(1,268)	—	—	(4,813)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(1,012)	(533)	(282)	(14)	(118)	(1,959)
Amortization of finite life intangible assets	(60)	(33)	(16)	—	(3)	(112)
Financing costs	(2)	—	—	—	(85)	(87)
Restructuring and integration expenses	(15)	—	—	—	—	(15)
Earnings (loss) before income taxes	500	388	187	342	(154)	1,263
Income taxes	96	64	24	37	(59)	162
Net earnings (loss) before non-controlling interests	404	324	163	305	(95)	1,101
Attributable to non-controlling interests	—	14	—	—	(2)	12
Net earnings (loss) - common shareholders, before preferred share dividends and other equity distributions	404	310	163	305	(93)	1,089
Preferred share dividends and other equity distributions	—	—	—	—	50	50
Net earnings (loss) - common shareholders	$ 404	$ 310	$ 163	$ 305	$ (143)	$ 1,039

[1] Included within insurance service result in the Consolidated Statements of Earnings.

[2] Included within net investment result in the Consolidated Statements of Earnings.

[3] Included within other income and expenses in the Consolidated Statements of Earnings.

	For the three months ended June 30, 2025					
	United States	Canada	Europe	Capital and Risk Solutions	Corporate	Total
Segment revenue						
Insurance revenue [1]	$ —	$ 2,385	$ 1,815	$ 1,298	$ 53	$ 5,551
Net investment income [2]	921	719	496	77	106	2,319
Changes in fair value on FVTPL assets [2]	514	103	353	(41)	25	954
	1,435	3,207	2,664	1,334	184	8,824
Fee and other income [3]	1,124	491	233	4	96	1,948
	2,559	3,698	2,897	1,338	280	10,772
Other insurance results						
Insurance service expenses	—	(1,647)	(1,573)	(1,048)	(47)	(4,315)
Net expenses from reinsurance contracts	—	(346)	(12)	(13)	(8)	(379)
	—	(1,993)	(1,585)	(1,061)	(55)	(4,694)
Other investment results						
Net expenses from insurance contracts	—	(657)	(885)	(24)	(71)	(1,637)
Net finance income (expenses) from reinsurance contracts	—	(16)	13	(2)	(13)	(18)
Changes in investment contract liabilities	(1,173)	(13)	—	(7)	(2)	(1,195)
	(1,173)	(686)	(872)	(33)	(86)	(2,850)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income	—	1,342	319	—	—	1,661
Net finance expenses from insurance contracts	—	(1,342)	(319)	—	—	(1,661)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(937)	(490)	(285)	(12)	(75)	(1,799)
Amortization of finite life intangible assets	(59)	(32)	(18)	(1)	(2)	(112)
Financing costs	(1)	—	—	(1)	(99)	(101)
Restructuring and integration expenses	(8)	(226)	(23)	(9)	—	(266)
Earnings (loss) before income taxes	381	271	114	221	(37)	950
Income taxes	76	22	(12)	27	(83)	30
Net earnings before non-controlling interests	305	249	126	194	46	920
Attributable to non-controlling interests	—	(6)	—	—	(1)	(7)
Net earnings - common shareholders, before preferred share dividends	305	255	126	194	47	927
Preferred share dividends	—	—	—	—	33	33
Net earnings - common shareholders	$ 305	$ 255	$ 126	$ 194	$ 14	$ 894

[1] Included within insurance service result in the Consolidated Statements of Earnings.

[2] Included within net investment result in the Consolidated Statements of Earnings.

[3] Included within other income and expenses in the Consolidated Statements of Earnings.

	For the six months ended June 30, 2026					
	United States	**Canada**	**Europe**	**Capital and Risk Solutions**	**Corporate**	**Total**
Segment revenue						
Insurance revenue [1]	$ —	$ 4,932	$ 3,789	$ 2,715	$ 85	$ 11,521
Net investment income [2]	1,786	2,064	952	239	165	5,206
Changes in fair value on FVTPL assets [2]	(546)	1,665	(382)	(320)	(2)	415
	1,240	8,661	4,359	2,634	248	17,142
Fee and other income [3]	2,486	1,096	497	8	69	4,156
	3,726	9,757	4,856	2,642	317	21,298
Other insurance results						
Insurance service expenses	—	(3,447)	(3,267)	(1,993)	(102)	(8,809)
Net expenses from reinsurance contracts	—	(755)	(43)	(25)	(16)	(839)
	—	(4,202)	(3,310)	(2,018)	(118)	(9,648)
Other investment results						
Net finance income (expenses) from insurance contracts	—	(3,575)	(538)	166	(78)	(4,025)
Net finance income from reinsurance contracts	—	31	105	3	—	139
Changes in investment contract liabilities	(652)	(31)	(8)	(2)	(4)	(697)
	(652)	(3,575)	(441)	167	(82)	(4,583)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income	—	3,756	1,102	—	—	4,858
Net finance expenses from insurance contracts	—	(3,756)	(1,102)	—	—	(4,858)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(1,985)	(958)	(580)	(27)	(216)	(3,766)
Amortization of finite life intangible assets	(120)	(66)	(32)	—	(6)	(224)
Financing costs	(5)	—	—	(1)	(168)	(174)
Restructuring and integration expenses	(35)	—	—	—	—	(35)
Earnings (loss) before income taxes	929	956	493	763	(273)	2,868
Income taxes	173	188	75	105	(108)	433
Net earnings (loss) before non-controlling interests	756	768	418	658	(165)	2,435
Attributable to non-controlling interests	—	102	—	—	2	104
Net earnings (loss) - common shareholders, before preferred share dividends and other equity distributions	756	666	418	658	(167)	2,331
Preferred share dividends and other equity distributions	—	—	—	—	100	100
Net earnings (loss) - common shareholders	$ 756	$ 666	$ 418	$ 658	$ (267)	$ 2,231

[1] Included within insurance service result in the Consolidated Statements of Earnings.
[2] Included within net investment result in the Consolidated Statements of Earnings.
[3] Included within other income and expenses in the Consolidated Statements of Earnings.

	For the six months ended June 30, 2025					
	United States	Canada	Europe	Capital and Risk Solutions	Corporate	Total
Segment revenue						
Insurance revenue [1]	$ —	$ 4,806	$ 3,541	$ 2,578	$ 112	$ 11,037
Net investment income [2]	1,829	1,585	900	151	189	4,654
Changes in fair value on FVTPL assets [2]	1,447	841	(20)	(160)	105	2,213
	3,276	7,232	4,421	2,569	406	17,904
Fee and other income [3]	2,277	987	466	8	121	3,859
	5,553	8,219	4,887	2,577	527	21,763
Other insurance results						
Insurance service expenses	—	(3,339)	(3,054)	(2,099)	(99)	(8,591)
Net expenses from reinsurance contracts	—	(717)	(53)	(23)	(16)	(809)
	—	(4,056)	(3,107)	(2,122)	(115)	(9,400)
Other investment results						
Net finance income (expenses) from insurance contracts	—	(2,148)	(730)	34	(219)	(3,063)
Net finance income (expenses) from reinsurance contracts	—	(2)	(146)	2	(11)	(157)
Changes in investment contract liabilities	(2,727)	(49)	—	(24)	(3)	(2,803)
	(2,727)	(2,199)	(876)	12	(233)	(6,023)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income	—	1,356	55	—	—	1,411
Net finance expenses from insurance contracts	—	(1,356)	(55)	—	—	(1,411)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(1,894)	(1,000)	(533)	(24)	(157)	(3,608)
Amortization of finite life intangible assets	(120)	(64)	(33)	(1)	(5)	(223)
Financing costs	(3)	—	—	(2)	(199)	(204)
Restructuring and integration expenses	(9)	(226)	(33)	(9)	—	(277)
Earnings (loss) before income taxes	800	674	305	431	(182)	2,028
Income taxes	157	98	12	53	(133)	187
Net earnings (loss) from continuing operations before non-controlling interests	643	576	293	378	(49)	1,841
Attributable to non-controlling interests	—	20	—	—	2	22
Net earnings (loss) from continuing operations before preferred share dividends	643	556	293	378	(51)	1,819
Preferred share dividends	—	—	—	—	65	65
Net earnings (loss) - common shareholders	$ 643	$ 556	$ 293	$ 378	$ (116)	$ 1,754

1 Included within insurance service result in the Consolidated Statements of Earnings.

2 Included within net investment result in the Consolidated Statements of Earnings.

3 Included within other income and expenses in the Consolidated Statements of Earnings.

Revenue by Source Currency for Capital and Risk Solutions

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	**2026**	2025
Revenue				
United States	$ 414	$ 300	$ 793	$ 736
United Kingdom	650	613	1,155	1,117
Japan	(74)	(30)	(126)	(82)
Other	435	455	820	806
Total revenue	$ 1,425	$ 1,338	$ 2,642	$ 2,577

Negative income in the table above is primarily due to unrealized fair value losses through profit or loss on bonds.

(b) Consolidated Total Assets and Liabilities

	June 30, 2026				
	United States	**Canada**	**Europe**	**Capital and Risk Solutions**	**Total**
Assets					
Invested assets	$ 93,315	$ 105,044	$ 48,096	$ 11,375	$ 257,830
Insurance contract assets	304	450	513	319	1,586
Reinsurance contract held assets	11,668	1,254	3,733	100	16,755
Goodwill and intangible assets	6,508	6,790	3,184	—	16,482
Other assets	16,274	6,037	4,672	156	27,139
Investments on account of segregated fund policyholders	277,144	137,598	211,477	—	626,219
Total	$ 405,213	$ 257,173	$ 271,675	$ 11,950	$ 946,011
Liabilities					
Insurance contract liabilities	$ 17,125	$ 94,926	$ 47,121	$ 6,600	$ 165,772
Investment contract liabilities	86,800	3,230	672	569	91,271
Reinsurance contract held liabilities	146	314	352	48	860
Other liabilities	12,338	9,685	3,794	1,470	27,287
Insurance contracts on account of segregated fund policyholders	15,146	40,715	18,978	—	74,839
Investment contracts on account of segregated fund policyholders	261,998	96,883	192,499	—	551,380
Total	$ 393,553	$ 245,753	$ 263,416	$ 8,687	$ 911,409

	December 31, 2025				
	United States	Canada	Europe	Capital and Risk Solutions	Total
Assets					
Invested assets	$ 89,945	$ 102,100	$ 46,795	$ 11,211	$ 250,051
Insurance contract assets	315	445	534	277	1,571
Reinsurance contract held assets	11,818	1,224	3,705	103	16,850
Goodwill and intangible assets	6,283	6,734	3,178	—	16,195
Other assets	16,339	6,162	4,388	103	26,992
Investments on account of segregated fund policyholders	234,212	125,176	191,781	—	551,169
Total	$ 358,912	$ 241,841	$ 250,381	$ 11,694	$ 862,828
Liabilities					
Insurance contract liabilities	$ 17,632	$ 91,645	$ 45,504	$ 6,863	$ 161,644
Investment contract liabilities	84,620	3,456	377	589	89,042
Reinsurance contract held liabilities	158	321	397	43	919
Other liabilities	12,140	9,835	3,756	1,320	27,051
Insurance contracts on account of segregated fund policyholders	14,265	38,237	17,916	—	70,418
Investment contracts on account of segregated fund policyholders	219,947	86,939	173,865	—	480,751
Total	$ 348,762	$ 230,433	$ 241,815	$ 8,815	$ 829,825

Assets by Source Currency for Capital and Risk Solutions

	June 30, 2026	December 31, 2025
Assets		
United States	$ 4,900	$ 4,702
United Kingdom	3,689	3,765
Japan	2,655	2,722
Other	706	505
Total assets	$ 11,950	$ 11,694

(c) CSM

	For the six months ended June 30, 2026							
	Non-Participating (excluding Segregated Funds)							
	United States	Canada	Europe	Capital and Risk Solutions	Total	Segregated Funds	Participating	Total [1]
CSM, beginning of year	$ 60	$ 513	$ 3,866	$ 2,430	$ 6,869	$ 3,175	$ 3,486	$13,530
CSM recognized for services provided	(3)	(29)	(174)	(151)	(357)	(208)	(83)	(648)
Contracts initially recognized in the period	—	11	142	46	199	63	51	313
Changes in estimates that adjust the CSM	2	(4)	(49)	(50)	(101)	224	43	166
Net finance (income) expenses from insurance contracts	—	8	48	32	88	(7)	—	81
Effect of movement in exchange rates	2	—	49	35	86	7	7	100
CSM, end of period	$ 61	$ 499	$ 3,882	$ 2,342	$ 6,784	$ 3,254	$ 3,504	$13,542

[1] The amounts in the table above are presented net of reinsurance.

	For the year ended December 31, 2025							
	Non-Participating (excluding Segregated Funds)							
	United States	Canada	Europe	Capital and Risk Solutions	Total	Segregated Funds	Participating	Total [1]
CSM, beginning of year	$ 55	$ 690	$ 3,664	$ 2,436	$ 6,845	$ 3,268	$ 3,255	$13,368
CSM recognized for services provided	(8)	(67)	(326)	(269)	(670)	(407)	(155)	(1,232)
Contracts initially recognized in the year	—	40	267	100	407	126	109	642
Changes in estimates that adjust the CSM	14	(168)	5	28	(121)	83	289	251
Net finance (income) expenses from insurance contracts	2	18	91	65	176	(15)	—	161
Effect of movement in exchange rates	(3)	—	165	70	232	120	(12)	340
CSM, end of year	$ 60	$ 513	$ 3,866	$ 2,430	$ 6,869	$ 3,175	$ 3,486	$13,530

1 The amounts in the table above are presented net of reinsurance.

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