



POWER CORPORATION  
OF CANADA

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## Annual Meeting of Shareholders

Address to the Shareholders by  
**Paul Desmarais, Jr.**, o.c., o.g.  
Chairman of the Board

May 12, 2022

[www.PowerCorporation.com](http://www.PowerCorporation.com)

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## FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

## NON-IFRS FINANCIAL MEASURES

In the course of today's meeting, representatives of the Corporation may reference, in their remarks or in response to questions, and the accompanying materials contain financial measures (including ratios) that do not have a standard meaning under International Financial Reporting Standards (IFRS). Terms by which non-IFRS financial measures are identified include, but are not limited to, "adjusted net earnings", "adjusted net earnings per share", "adjusted net asset value", "adjusted net asset value per share", "consolidated assets and assets under management" and "consolidated assets and assets under administration". Management uses these financial measures in its presentation and analysis of the financial performance, financial condition and cash flows of the Corporation, and believes that they provide additional meaningful information to listeners/readers in their analysis of the results of the Corporation. These non-IFRS financial measures may not be comparable to similar measures used by other entities. Refer to the section "Non-IFRS Financial Measures" in the Corporation's current annual and most recent interim MD&A (each available on SEDAR at [www.sedar.com](http://www.sedar.com)) for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS as well as additional details on each measure, which disclosures are incorporated by reference into any written materials made available to the public which accompany today's meeting.

## OTHER MEASURES

In the course of today's meeting, representatives of the Corporation may reference, in their remarks or in response to questions, and the accompanying materials also include other measures used to discuss activities of the Corporation's consolidated publicly traded operating companies and alternative asset investment platforms including, but not limited to, "assets under management", "assets under administration", "assets under management and advisement", "book value per participating share", "carried interest", "fee-bearing capital", "market capitalization", "net asset value", "net carried interest" and "unfunded commitments". As well, a non-consolidated basis of presentation is used to present and analyze the financial position and cash flows of the Corporation as a holding company. Refer to the section "Other Measures" in the Corporation's current annual and most recent interim MD&A for a definition of each measure, which definitions are incorporated by reference into any written materials made available to the public which accompany today's meeting.



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Address to the Shareholders,  
**Paul Desmarais, Jr., O.C., O.Q.**  
Chair

## **Annual Meeting of Shareholders**

### **May 12, 2022**

Thank you, Jeff.

Allow me to start by saying, on behalf of our entire Board, that we hope you are staying healthy and safe as we hopefully emerge into a more normal world.

Throughout this period of the global pandemic, at the Power group of companies we have endeavoured to be flexible in supporting the needs of our clients and our employees, all the while continuing to deliver solid results for our shareholders.

Jeff has shared the key details about how we are delivering on our value creation strategy. We have also achieved record-high net earnings and adjusted net earnings at Power in 2021, which is great news.

I want to express our profound thanks to all our employees at Power and our group companies for their resilience and commitment, and for delivering such a remarkable performance in these tough times.

Let me commend particularly Jeff, our CEO, for his outstanding management of our operations, including providing caring leadership to all our employees.

The current global situation is presenting significant challenges.

The war in Ukraine has stunned the world. There has been a terrible human cost, and our hearts go out to those who are suffering.

The conflict is having a serious impact on the global economy, including supply chains, energy prices and commodities.

As we navigate these pressures, it is relevant to speak about the long-standing commitment of Power Corporation to what we call "responsible management", that is, creating sustainable, long-term value, and conducting ourselves ethically, living by our deeply held values.

This includes our enduring commitments to philanthropy and community involvement to help create a more caring and inclusive society.

At the Power group, responsible management is fundamental to the way we do business, and integral to our long-term profitability and value creation as an employer, investor, and corporate citizen.

Some companies may only just be waking up to their responsibilities in this regard. For us, it is not so new.



I will say that we view heightened expectations on environmental, social and governance matters as an opportunity to continue strengthening and elevating our own performance, building on a solid foundation.

To me, this also means strengthening our long-term profitability.

Since our beginnings, as a family-controlled company, we have donated generously and participated energetically in our communities.

That is a legacy that our parents instilled in my brother and me early in our lives and that we have passed on to our children. We also champion this approach within our group of companies.

We are convinced that for businesses to prosper, strong communities are an imperative.

By helping ensure that citizens have access to first-rate institutions, including in health, education, arts, and culture, alongside a clean environment, we contribute to creating caring, safe and sustainable communities.

We believe in the power of the voluntary sector and social entrepreneurs to build a better society with improved opportunities, working with governments and with other businesses.

But you can't do these things, you can't donate generously, if you are not making decent profits.

Personally, I don't believe that corporations should be thinking that they are responsible for fixing every ill and solving all social problems.

Companies like ours should not forget their responsibility to deliver attractive returns for their shareholders.

That being said, the corporate sector has an important part to play in providing the solutions to society's challenges.

Let me illustrate how, at Power, we try to tackle these matters.

As an employer, we strive to attract and retain a talented and diverse workforce.

We create flexible, balanced workplaces that recognize the value of well-being, diversity, equity, and inclusion. Increasing the diversity of our Boards, senior management and employees is an important focus across our group companies.

We have a culture of respect, and we actively encourage performance and development.

As an investor, as part of our active ownership approach, we engage regularly with our group companies as a supportive shareholder in regard to their ESG strategies and initiatives.

Great-West Lifeco and IGM have a long history of evolving their businesses to stay at the forefront of their sectors, always in a sustainable manner.

Great-West Lifeco established a Global Sustainable Investment Council in 2019. They include ESG information in investment analysis and decisions, alongside the expansion of sustainable investment offerings.

As wealth and asset managers, the IGM group focuses on where it can make the greatest impact, including sustainable investing.

We are pleased to note that IGM ranked as the top capital markets and asset management firm in Corporate Knights' 2022 Global 100 Most Sustainable Corporations.



As Jeff mentioned, both organizations also joined the global carbon transition movement in 2021.

In Europe, GBL has embedded ESG into its business model. GBL's strategy anticipates and aligns with long-term megatrends unfolding in society and the economy.

It invests in companies that strive to create a more sustainable economy, including ones that are addressing the growing health concerns of advanced societies. By nurturing great companies, and promoting responsible management, financial rewards should follow.

GBL was the first investment holding company to have climate targets aligned with a warming pathway limited to 1.5°C approved by the Science Based Targets initiative.

Our responsible management philosophy is also instilled in our alternative asset management platforms, which invest in, and champion, sustainable and innovative businesses.

Power Sustainable is an active player in the global energy transformation with investments in the renewable energy sector.

Sagard's investment approach is one of Impact Investing, including in fintech companies that are transforming financial services and helping to make them more accessible.

So, at the Power group of companies, performance at any cost is just not part of our culture.

Responsible management means preserving the right balance, sticking to our core values, and seeking competitive returns, all the while playing an appropriate part in helping to preserve the planet and contribute to societal well-being.

At this stage, and as it relates to our Directors, I would like to thank Mr. J. David A. Jackson who is leaving the Board of Directors of the Corporation today.

Mr. Jackson has been a Director since 2013 and served on our Audit Committee. The Board and I, personally, would like to express our gratitude to Mr. Jackson for his invaluable contribution to our Board over the years, as well as for his involvement at the Great-West Lifeco and IGM boards, and of course, as our lead counsel during many of our foundational transactions.

I am also pleased to introduce Ms. Elizabeth D. Wilson, who is standing for election to our Board this year.

Ms. Wilson is Vice-Chair of the Chartered Professional Accountants of Canada. She is the former Chief Executive Officer of Dentons Canada LLP and was a member of the global leadership team, serving on the global board and global management committee from 2017 to 2022. Ms. Wilson is also a Director of IGM Financial.

Ms. Wilson, welcome.

In closing, I want to thank all Board members for their contribution this past year as well as our shareholders for their continued trust.

Thank you all again for attending.