



POWER CORPORATION  
OF CANADA

# Investor Presentation

## Q1 2023 Results

May 16th, 2023

# Forward looking statements and disclosures concerning public investees

For definitions of capitalized terms used herein, see "Abbreviations" in the Appendix hereto.

## 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.

Such forward-looking statements are 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' current expectations as disclosed in their respective MD&A. 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 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 statements in respect of the slide entitled "Opportunities for further value creation" and the fintech strategy, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the Corporation's NCIB commenced in 2023 and the return of net cash proceeds from the sale of its interest in ChinaAMC to IGM, statements concerning deferred taxes, statements concerning the expected impacts of IFRS 17, management of standalone businesses to realize value over time, fundraising activities by investment platforms, capital commitments by the Power group and third parties, the intended acquisition opportunity of Portage Fintech Acquisition Corporation, the completion of the Bellus transaction, the objective to maintain a minimum level of cash and cash equivalents relative to fixed charges, and the Corporation's subsidiaries' disclosed expectations, including in respect of the proposed acquisition of IPC by Canada Life from IGM (including the impacts and timing thereof), the completion of the Webhelp transaction, and the purchase by IGM of an interest in Rockefeller, and value of Lion's order book. 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 in this presentation, the factors identified by such subsidiaries in their respective 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 NCIB, 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 in this MD&A, 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 in its most recent interim MD&A and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com).

## Disclosures Concerning Public Investees

Information in this presentation and any accompanying oral statements, including in response to questions, (i) concerning Great-West Lifeco and IGM, as applicable, has been derived from Great-West Lifeco's and IGM's most recent interim MD&A, as prepared and disclosed by the respective companies in accordance with applicable securities legislation, and which is also available either directly from SEDAR ([www.sedar.com](http://www.sedar.com)) or directly from their websites, [www.greatwestlifeco.com](http://www.greatwestlifeco.com) and [www.igmfinc.com](http://www.igmfinc.com); and (ii) concerning GBL has been derived from publicly disclosed information, as issued by GBL, including in its first quarter 2023 press release, and further information on GBL's results is available on its website at [www.gbl.be](http://www.gbl.be). For definitions and reconciliations of non-IFRS financial measures, refer to the "Non-GAAP Financial Measures and Ratios" section and specifically the sub-sections entitled "Base earnings (loss)", "Non-GAAP Ratios" and "Assets under management (AUM) and assets under administration (AUA)" of Great-West Lifeco's and "Non-IFRS Financial Measures and Other Financial Measures" section and specifically "Table 1: Reconciliation of Non-IFRS Financial Measures" of IGM's most recent interim MD&A, which are each included in Parts B and C, respectively, of the Corporation's most recent interim MD&A located under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com), which sections, definitions, and reconciliations are incorporated herein by reference.

On a quarterly basis, GBL reports its net asset value as it represents an important criterion used in assessing its performance. GBL's net asset value represents the fair value of its investment portfolio, its gross cash and treasury shares, less its gross debt. GBL's investments held in listed entities are measured at their market value and its investments in private entities are measured using the recommendations of the International Private Equity and Venture Capital Valuation Guidelines, which represents GBL management's best estimate. GBL Capital's portfolio of investments is measured by adding all investments at fair value provided by the fund managers with GBL Capital's net cash, less its net debt. For more information on GBL's net asset value and valuation principles, refer to its website ([www.gbl.be](http://www.gbl.be)).

# Basis of presentation, non-IFRS financial measures and other measures

## Basis of Presentation

The condensed consolidated interim unaudited financial statements for the period ended March 31, 2023 of the Corporation, which reflect the adoption of IFRS 17, *Insurance Contracts* (IFRS 17) and IFRS 9, *Financial Instruments* (IFRS 9) that resulted in the restatement of certain comparative amounts, have been prepared in accordance with International Financial Reporting Standards (IFRS) unless otherwise noted and are the basis for the figures presented in this presentation, unless otherwise noted.

## Non-IFRS Financial Measures

Management uses these financial measures in its presentation and analysis of the financial performance of Power Corporation and believes that they provide additional meaningful information to listeners/readers in their analysis of the results of the Corporation.

Adjusted net earnings attributable to participating shareholders is calculated as (1) net earnings attributable to participating shareholders and (2) adjustments, which include the after-tax impact of any item that in management's judgment, including those identified by management of its publicly traded operating companies, would make the period-over-period comparison of results from operations less meaningful. In the first quarter of 2023, management of Lifeco refined its definition of Adjustments. See the section "Change in the definition of Adjusted net earnings, a non-IFRS financial measure" in the section "Overview" of the Corporation's most recent interim MD&A. Adjusted net earnings attributable to participating shareholders includes the Corporation's share of Lifeco's impact of market-related impacts where actual market returns in the current period are different than longer-term expected returns on assets and liabilities, assumption changes and management actions that impact the measurement of asset and liabilities, realized gains (losses) on the sale of assets measured at FVOCI, direct equity and interest rate impacts on the measurement of surplus assets and liabilities and amortization of acquisition related finite life intangible assets, as well as items that management believes are not indicative of the underlying business results which include those identified by a subsidiary or a jointly controlled corporation. Items that management and management of its subsidiaries believe are not indicative of the underlying business results include restructuring or reorganization costs, transaction and integration costs related to business acquisitions, material legal settlements, material impairment charges, impact of substantially enacted income tax rate changes and other tax impairments, certain non-recurring material items, and net gains, losses or costs related to the disposition or acquisition of a business. Adjusted net earnings per share is calculated as adjusted net earnings divided by the weighted average number of participating shares outstanding.

Adjusted net asset value ("NAV" or "Net asset value") is commonly used by holding companies to assess their value. Adjusted net asset value represents the fair value of the participating shareholders' equity of Power Corporation. Adjusted net asset value is calculated as the fair value of the assets of the combined Power Corporation and Power Financial holding company (also referred to as Gross asset value) less their net debt and preferred shares. The investments held in publicly traded entities (including Lifeco, IGM and GBL) are measured at their market value and investments in private entities and investment funds are measured at management's estimate of fair value. This measure presents the fair value of the participating shareholders equity of the holding company and is used to assist the listener/reader in determining or comparing the fair value of investments held by the holding company or its overall fair value. Adjusted net asset value per share is calculated as adjusted net asset value divided by the number of participating shares outstanding. The discount to adjusted net asset value ("discount to NAV" or "NAV discount") is defined as the percentage difference (expressed in relation to the adjusted net asset value) between the market capitalization of the Corporation and the adjusted net asset value.

Fee-related earnings is presented for Sagard and Power Sustainable and includes revenues from management fees earned across all asset classes, less i) fee-related compensation including salary, bonus, and benefits, and ii) operating expenses. Fee-related earnings is presented on a gross pre-tax basis, including non-controlling interests. Fee-related earnings excludes i) share-based compensation expenses, ii) amortization of acquisition-related intangibles, iii) foreign exchange-related gains and losses, iv) net interest, and v) other items that in management's judgment are not indicative of underlying operating performance of the alternative asset investment platforms, which include restructuring costs, transaction and integration costs related to business acquisitions and certain non-recurring material items.

Adjusted net earnings attributable to participating shareholders, fee-related earnings, adjusted net asset value, gross asset value, adjusted net earnings per share, discount to adjusted net asset value, and adjusted net asset value per share are non-IFRS financial measures and ratios that do not have a standard meaning and may not be comparable to similar measures used by other entities. Refer to the section entitled "Non-IFRS Financial Measures" in Part A of the most recent interim MD&A located under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com) for further explanations of their uses and specifically the sub-sections entitled "Adjusted Net Earnings", "Adjusted Net Asset Value", "Consolidated Assets and Assets Under Management and Consolidated Assets and Assets Under Administration" and "Fee-related earnings" included in section entitled "Reconciliations of IFRS and Non-IFRS Financial Measures" for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS, including those used in calculating non-IFRS ratios, which further explanations and reconciliations are incorporated herein by reference.

## Presentation of the Holding Company

The Corporation's reportable segments include Lifeco, IGM Financial and GBL, which represent the Corporation's investments in publicly traded operating companies, as well as the holding company. These reportable segments, in addition to the asset management activities, reflect Power Corporation's management structure and internal financial reporting. The Corporation evaluates its performance based on the operating segment's contribution to earnings.

The holding company comprises the corporate activities of the Corporation and Power Financial, on a combined basis, and presents the investment activities of the Corporation. The investment activities of the holding company, including the investments in Lifeco, IGM and controlled entities within the alternative asset investment platforms, are presented using the equity method. The holding company activities present the holding company's assets and liabilities, including cash, investments, debentures and non-participating shares. The discussions included in the sections "Financial Position" and "Cash Flows" in Part A of the most recent interim MD&A present the segmented balance sheet and cash flow statement of the holding company, which are presented in Note 23 of the Corporation's Interim Consolidated Financial Statements.

## Clarifications on Adjusted Net Asset Value

(i) The Corporation's share of GBL's reported net asset value was \$4.1 billion (€2.8 billion) at March 31, 2023 (\$3.8 billion (€2.6 billion) at December 31, 2022); (ii) The management companies of the investment funds are presented at their carrying value and are primarily composed of cash and net carried interest receivable; (iii) Sagard includes the Corporation's investments in Portage Ventures I, Portage Ventures II and Wealthsimple, held by Power Financial; (iv) Other assets and investments include the Corporation's interest of 3.9% held in Bellus. At March 31, 2023, the fair value of the investment in Bellus is based on the transaction price of US\$14.75 per share announced on April 18, 2023, subsequent to quarter-end; (v) An additional deferred tax liability of \$9 million has been included in the adjusted net asset value at March 31, 2023 (\$13 million at December 31, 2022) with respect to the investments in standalone businesses at fair value, without taking into account possible tax planning strategies. The Corporation has tax attributes (not otherwise recognized on the balance sheet) that could be available to minimize the tax if the Corporation were to dispose of its interests held in the standalone businesses; (vi) In accordance with IAS 12, *Income Taxes*, no deferred tax liability is recognized with respect to temporary differences associated with investments in subsidiaries and jointly controlled corporations as the Corporation is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. If the Corporation were to dispose of an investment in a subsidiary or a jointly controlled corporation, income taxes payable on such disposition would be minimized through careful and prudent tax planning and structuring, as well as with the use of available tax attributes not otherwise recognized on the balance sheet, including tax losses, tax basis, safe income and foreign tax surplus associated with the subsidiary or jointly controlled corporation; and (vii) At December 31, 2022, an additional deferred tax liability of \$37 million was included in the adjusted net asset value related to the investment in ChinaAMC at fair value.

## Other Measures

This presentation also includes 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, the presentation of the holding company is used to present and analyze the financial position and cash flows of Power Corporation as a holding company. Refer to the section "Other Measures" in Part A of the most recent interim MD&A, which can be located in the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com), for definitions of such measures, which definitions are incorporated herein by reference.

Assets under management of investment platforms include: (i) Net asset value of the investment funds and co-investment vehicles managed, including unfunded commitments and unused permanent leverage; (ii) Gross asset value of investment funds managed within the real estate platform; and (iii) Fair value of assets managed on behalf of the Corporation and clients by asset managers controlled within the investment platforms, including assets managed through a separately managed account.

Fee-bearing capital includes: (i) Total capital commitments of venture capital & growth, private equity, and royalties funds during the investment period; (ii) Net invested capital of private credit funds and funds which have completed their investment period; (iii) Net asset value of Power Sustainable China, Power Sustainable Energy Infrastructure including direct investments in energy assets, and funds within the real estate platform; (iv) Invested capital or gross asset value of assets managed through separate accounts within the real estate platform; and (v) Fair value of assets managed on behalf of clients by the wealth management platform.

## Conference call participants

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**R. Jeffrey Orr**

President and Chief Executive Officer

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**Gregory D. Tretiak, FCPA, FCA**

Executive Vice-President and Chief Financial Officer

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# Q1 2023 Results

# Power and publicly traded operating companies

- This call follows a number of recent events held by Power and its publicly traded operating companies
- Investors are encouraged to contact the companies directly for specific inquiries

	Event / Date	Contact
 POWER CORPORATION OF CANADA <a href="http://www.powercorporation.com">www.powercorporation.com</a>	<ul style="list-style-type: none"> <li>▪ Annual General Meeting May 16</li> <li>▪ Q1 2023 Conference Call May 16</li> <li>▪ Q1 2023 Earnings Release May 15</li> </ul>	<a href="mailto:investor.relations@powercorp.com">investor.relations@powercorp.com</a>
 GREAT-WEST LIFECO INC. <a href="http://www.greatwestlifeco.com">www.greatwestlifeco.com</a>	<ul style="list-style-type: none"> <li>▪ Investor Day June 20</li> <li>▪ Annual General Meeting May 10</li> <li>▪ Q1 2023 Conference Call and IFRS 17 Session May 10</li> <li>▪ Q1 2023 Earnings Release May 9</li> <li>▪ IPC Announcement Call April 3</li> <li>▪ National Bank Financial Services Conference March 30</li> </ul>	<a href="mailto:investorrelations@canadalife.com">investorrelations@canadalife.com</a>
 IGM Financial <a href="http://www.igmfinancial.com">www.igmfinancial.com</a>	<ul style="list-style-type: none"> <li>▪ Annual General Meeting May 4</li> <li>▪ Q1 2023 Conference Call May 4</li> <li>▪ Q1 2023 Earnings Release May 3</li> <li>▪ Rockefeller Announcement Call April 4</li> </ul>	<a href="mailto:investor.relations@igmfinancial.com">investor.relations@igmfinancial.com</a>
 GBL <a href="http://www.gbl.be">www.gbl.be</a>	<ul style="list-style-type: none"> <li>▪ Annual General Meeting May 4</li> <li>▪ Q1 2023 Earnings Release May 3</li> </ul>	<a href="mailto:adonohoe@gbl.be">adonohoe@gbl.be</a>

# Power highlights

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## Strong results at Great-West and IGM reflect consistent performance across all businesses

- Great-West Q1 2023 base earnings<sup>1</sup> of \$808 million vs. \$712 million<sup>2</sup> in Q1 2022 and net earnings of \$595 million vs. \$1,334 million in Q1 2022
- IGM Q1 2023 adjusted net earnings<sup>3</sup> of \$207 million and net earnings of \$381 million vs. adjusted net and net earnings of \$219 million in Q1 2022

## Focused on growth drivers

- Great-West announced acquisition of IPC
- IGM announced acquisition of an interest in Rockefeller and its entry into the U.S. wealth management market
- GBL reported net asset value<sup>4</sup> growth of 5% and solid private assets operational performance
  - Webhelp and Concentrix entered into an agreement to create a prominent global player in customer experience
- Power's alternative asset investment platforms raised \$389 million

<sup>1</sup> Base earnings is defined as a non-GAAP financial measure by Great-West. Refer to the "Disclosures Concerning Public Investees" section at the beginning of this presentation for more information.

<sup>2</sup> Comparative periods have been restated subsequent to the adoption of IFRS 17 and IFRS 9. See the Basis of Presentation and Non-IFRS Financial Measures at the beginning of this presentation for more information.

<sup>3</sup> Adjusted net earnings is defined as a non-IFRS financial measure by IGM. Refer to the "Disclosures Concerning Public Investees" section at the beginning of this presentation for more information.

<sup>4</sup> Refer to the "Disclosures Concerning Public Investees" section at the beginning of this presentation for more information.

# Current market environment

- Our businesses are well-positioned to serve clients and stakeholders amidst challenging market conditions

## Market Performance

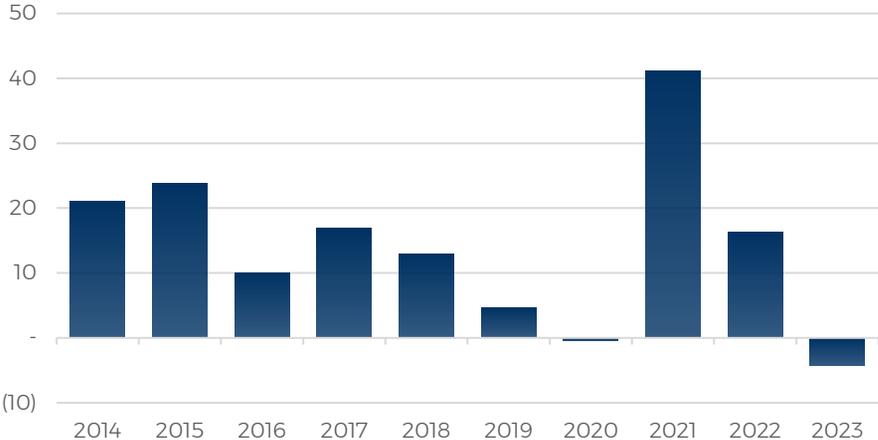
(Indexed to 100 as at Dec. 31, 2021)



- The S&P 500's 2022 performance was the worst since the financial crisis and the fourth worst on record
- The Bloomberg Barclays Aggregate Bond index's 2022 performance was the worst on record

## Last Ten Years Canadian Mutual Fund First Quarter Industry Net Sales<sup>1</sup>

(\$ in billions)



- Industry suffered net outflows in the first quarter of 2023

<sup>1</sup> First quarter industry long-term net sales, excluding exchanged-traded funds. Source: Bloomberg, The Investment Funds Institute of Canada, ISS Market Intelligence Simfund Canada data reflecting the "Funds Administration View" and excluding exchange-traded funds.

# Power Q1 2023 financial highlights<sup>1</sup>

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- Net earnings were \$313 million or \$0.47 per share, compared with \$862 million or \$1.28 per share in Q1 2022
  - Book value per participating share<sup>2</sup> was \$31.81 at March 31, 2023, compared with \$31.37 at December 31, 2022
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- Adjusted net earnings<sup>3</sup> were \$514 million or \$0.77 per share, compared with \$442 million or \$0.65 per share in Q1 2022
  - Adjusted net asset value (“NAV” or “Net Asset Value”) per share<sup>3</sup> was \$46.89 at March 31, 2023, compared with \$41.91 at December 31, 2022, an increase of 11.9%
    - Adjusted net asset value per share of \$48.96 at May 15, 2023<sup>4</sup>
  - A quarterly dividend of 52.50¢ per share was declared by the Board of Directors

<sup>1</sup> Comparative periods have been restated subsequent to the adoption of IFRS 17 and IFRS 9. See the “Basis of Presentation” section at the beginning of this presentation for more information.

<sup>2</sup> Refer to the “Other Measures” section at the beginning of this presentation for more information.

<sup>3</sup> Adjusted net earnings is a non-IFRS financial measure. Adjusted net EPS and adjusted net asset value per share are non-IFRS ratios. Refer to the “Non-IFRS Financial Measures” and “Clarifications on Adjusted Net Asset Value” sections at the beginning of this presentation for more information.

<sup>4</sup> Based on March 31, 2023 adjusted net asset value updated for market values of publicly traded operating companies and listed investments (Lion and China public equity portfolio) at May 15, 2023.

# Adopting<sup>1</sup> IFRS 17 and 9

Classifications and enhancements made as part of the adoption of new standards aimed at improving transparency and enhancing disclosures



- **Great-West results are in accordance with IFRS 17 and IFRS 9**
  - Milestone which marks the successful implementation of IFRS 17 and culmination of a multi-year enterprise-wide initiative
  - Expected increase in net earnings volatility, primarily due to the removal of the direct link between asset and liability measurement that existed under the Canadian Asset Liability Matching process under IFRS 4
  - Contractual service margin, however, is expected to lead to more stable insurance results
  - Asset-liability matching strategy and accounting choices were set to maintain a stable LICAT ratio
- **Great-West introduced three Value Drivers for describing its business: Workplace Solutions, Wealth & Asset Management and Insurance & Risk Solutions**



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- **Power has classified the investments held by GBL consistent with GBL's IFRS 9 classification**
  - Publicly listed and private investments classified as FVOCI
  - GBL Capital required to be classified as FVPL
- **Power Sustainable China investments in public equities elected to be classified as FVOCI**
  - Eliminates all volatility from unrealized and realized gains and losses as fair value changes will remain permanently in equity
  - Related dividends, management fees and performance fees continue to be recognized in earnings

<sup>1</sup> Great-West adopted IFRS 17 and IFRS 9 on January 1, 2023 and comparative results have been restated, as applicable, in alignment with the new standards. Great West applied the IFRS 9 overlay and restated its comparative information for classification and measurement. Power applied IFRS 9 to its investments prospectively on January 1, 2023.

# Net and adjusted net earnings

- **Great-West and IGM contributed:**
  - \$516 million to net earnings
  - \$663 million to adjusted net earnings
  - Great-West results reflect successful execution of integration program in the U.S. and strong performance in each of its core businesses
  - IGM's average AUM&A<sup>1</sup> was \$257.6 billion in Q1 2023 vs. \$269.5 billion in Q1 2022
  
- **Power Sustainable's negative contribution of \$77 million includes:**
  - Losses of \$30 million in its energy infrastructure platform due to seasonality
  - A charge of \$33 million from the revaluation of NCI liabilities due to the fair value increases in PSEIP<sup>2</sup>

**Note:** OpCo contributions to adjusted net earnings as reported by Great-West, IGM and GBL.

<sup>1</sup> Refer to the "Other Measures" section at the beginning of this presentation for more information.

<sup>2</sup> The net asset value<sup>(1)</sup> of PSEIP was \$1,159 million at March 31, 2023, compared with \$1,035 million at December 31, 2022.

<sup>3</sup> For a reconciliation of Great-West, IGM and Sagard and Power Sustainable's non-IFRS adjusted net earnings to their net earnings, refer to the "Lifeco", "IGM Financial", and "Sagard and Power Sustainable" sections in Part A of the most recent interim MD&A, which detail the contribution to net earnings and adjusted net earnings for each.

		(\$ in millions, except per share amounts)	
		Q1 2023	Q1 2022
Earnings Focused	<b>Adjusted net earnings</b> <sup>(3)</sup>		
	Great-West	549	474
	IGM	128	135
	Effect of consolidation <sup>(4)</sup>	(14)	(10)
		<b>663</b>	<b>599</b>
NAV Focused	GBL <sup>(5)</sup>	19	14
	Sagard and Power Sustainable <sup>(6)</sup>	(88)	(81)
	ChinaAMC	2	13
	Other investments and standalone businesses <sup>(7)</sup>	16	(1)
	Corporate operating expenses <sup>(8)</sup>	(37)	(37)
	Financing charges and income taxes	(14)	(19)
	Dividends on non-participating and perpetual preferred shares	(47)	(46)
	<b>Adjusted net earnings</b> <sup>(9)</sup>	<b>514</b>	<b>442</b>
	Adjustments <sup>(10)</sup>	(201)	420
	<b>Net earnings</b> <sup>(9)</sup>	<b>313</b>	<b>862</b>
<b>Earnings per share - basic</b> <sup>(9)</sup>			
<b>Adjusted net earnings</b>	<b>0.77</b>	0.65	
Adjustments	(0.30)	0.63	
<b>Net earnings</b>	<b>0.47</b>	<b>1.28</b>	

<sup>4</sup> Refer to the information on Effect of Consolidation included in the "Contribution to net earnings and adjusted net earnings" section of the most recent interim MD&A for further details.

<sup>5</sup> Q1 2022 includes \$43 million positive impact from Effect of consolidation.

<sup>6</sup> Consists of earnings (losses) of the Corporation's alternative asset investment platforms, including investments held through Power Financial.

<sup>7</sup> Includes the results of Lion, LMPG and Peak.

<sup>8</sup> Includes operating expenses and depreciation.

<sup>9</sup> Attributable to participating shareholders.

<sup>10</sup> Refer to the "Adjustments" section in Part A of the Corporation's most recent interim MD&A for further details.

# Net asset value

- NAV per share was \$46.89 at March 31, 2023, compared with \$41.91 at December 31, 2022
  - Publicly traded operating companies represent 84.9% of gross asset value
  - Publicly traded investments and cash represent 92.7% of gross asset value
  - NAV per share of \$48.96 at May 15, 2023<sup>1</sup>
- Book value per participating share was \$31.81 at March 31, 2023, compared with \$31.37 at December 31, 2022

		Mar. 31,	% of Gross	Dec. 31,	% of Gross
		2023	Asset Value	2022	Asset Value
		(\$ billions, except per share amounts)			
<b>Publicly Traded Operating Companies</b> <sup>(2)</sup>	Great-West	\$22.8	61.7%	\$19.4	57.7%
	IGM	6.0	16.2%	5.6	16.6%
	GBL	2.6	6.9%	2.4	7.1%
		31.3	84.9%	27.4	81.4%
<b>Alt. Asset Investment Platforms</b>	Sagard	1.0	2.8%	1.0	2.9%
	Power Sustainable	1.5	4.1%	1.5	4.4%
		2.6	6.9%	2.5	7.3%
<b>Other</b>	ChinaAMC	-	-	1.2	3.4%
	Standalone businesses	0.8	2.2%	0.8	2.5%
	Other assets and investments	0.5	1.5%	0.6	1.7%
	Cash and cash equivalents	1.7	4.5%	1.3	3.8%
	<b>Gross asset value</b>	<b>\$36.9</b>	<b>100.0%</b>	<b>\$33.7</b>	<b>100.0%</b>
	Liabilities and preferred shares	(5.6)		(5.7)	
	<b>NAV</b> <sup>(3)</sup>	<b>\$31.2</b>		<b>\$28.0</b>	
	Shares outstanding (millions)	666.0		667.1	
	<b>NAV per share</b>	<b>\$46.89</b>		<b>\$41.91</b>	

<sup>1</sup> Based on March 31, 2023 NAV updated for market values of publicly traded operating companies and listed investments (Lion and China public equity portfolio) at May 15, 2023.

<sup>2</sup> Based on March 31, 2023 closing price of \$35.82 for Great-West, \$40.39 for IGM and €78.50 for GBL and December 31, 2022 closing price of \$31.30 for Great-West, \$37.80 for IGM and €74.58 for GBL.

<sup>3</sup> NAV is a non-IFRS financial measure. Refer to the "Non-IFRS Financial Measures" and "Clarifications on Adjusted Net Asset Value" sections at the beginning of this presentation for more information.

# Canada Life acquisition of Investment Planning Counsel

On April 3, Canada Life announced the acquisition of IPC – a leading independent Canadian wealth management firm – from IGM for cash consideration of \$575 million<sup>1</sup>



**Accelerates Canada  
Life's strategy of  
building a leading  
platform for advisors  
and their clients in  
Canada**

- **Canada Life will be one of the largest non-bank wealth management providers in Canada**
  - **\$31 billion of assets under administration<sup>2</sup>, including \$6.4 billion in assets under management<sup>2</sup> and assets on IPC's portfolio management solutions platform**
  - **650+ advisors and approximately 200K clients**
- **Positions Canada Life for organic growth and further investments in market consolidation**
- **Elevates Canada Life's advisor value proposition**
- **Enables advisors to support a broader range of client needs**
- **Expected to close by the end of 2023**

<sup>1</sup> Subject to adjustments.

<sup>2</sup> Assets under administration and assets under management are defined by Great-West as non-GAAP financial measures. Refer to the "Disclosures Concerning Public Investees" section at the beginning of this presentation for more information.

# IGM acquisition of an interest in Rockefeller Capital Management

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On April 3, IGM announced its acquisition of a 20.5% interest in Rockefeller – a leading U.S. independent financial services advisory firm – for US\$622 million

**ROCKEFELLER**  
CAPITAL MANAGEMENT

**A risk-smart entry  
into the U.S. wealth  
management  
market for IGM**

- Strategic investment into the largest and deepest wealth market globally
- Proven advisor proposition with strong organic growth
- Expands IGM's capabilities in the high-net-worth and ultra-high-net-worth segments
- Two board seats and contractual rights enhancing IGM's opportunity to increase its interest in the future
- Conservative financing structure with sale of IPC for \$575 million with remaining amount from long-term debt

**IGM now has growth drivers in the two largest markets globally after transaction increasing its interest in ChinaAMC closed in January**



## Webhelp transaction will result in a strong fair value gain

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On March 30, Webhelp and Concentrix announced an agreement to combine, creating a prominent global player in customer experience

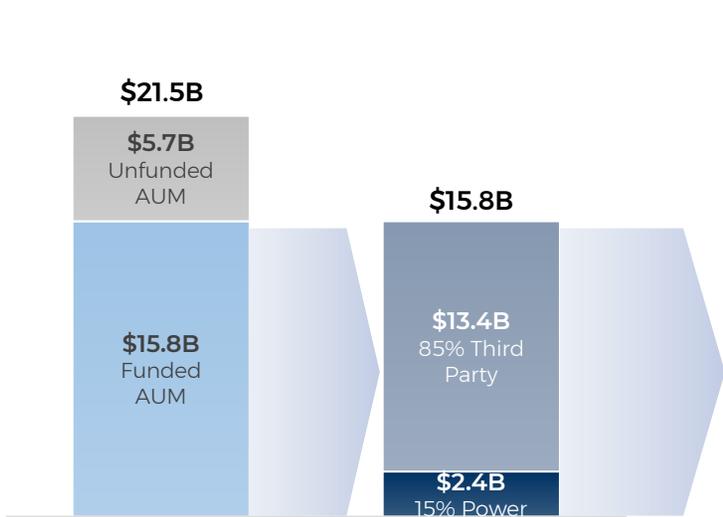
- **Transaction values GBL's stake in Webhelp at €1,529 million at the time of announcement**
  - 1.8x multiple on invested capital since GBL's initial investment in November 2019
- **GBL to be paid with a combination of Concentrix shares, earn-out shares and a seller note<sup>1</sup>**
  - GBL to become the largest shareholder of the combined entity and be represented on its Board of Directors
- **GBL currently consolidates its 61.5% interest in Webhelp, and as such does not account for the increase in fair value increases since acquisition**
- **Put options held by Webhelp's minority shareholders, valued at €1.8 billion at March 2023, will be extinguished without any cash impact to GBL upon closing**
  - GBL required to recognize the value of these put options as a liability and remeasure quarterly with changes in value recorded in earnings
  - Since acquisition, GBL has recognized €1.3 billion of cumulative losses from the increase in value of these liabilities

<sup>1</sup> To be received on the second anniversary of the transaction closing.

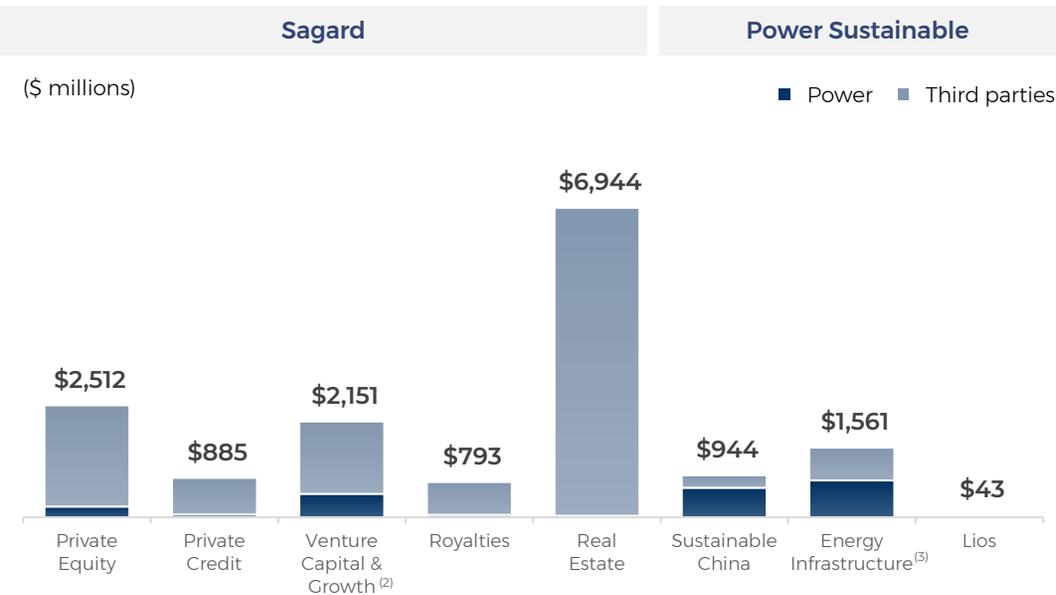
# Ongoing fundraising at alternative asset investment platforms

- \$21.5 billion of funded and unfunded AUM<sup>1</sup>, compared with \$21.1 billion as at December 31, 2022
- \$389 million of fundraising in Q1 2023 from third parties and associated companies

## Funded and Unfunded AUM



## Total Funded AUM and Funded AUM by Platform



Note: Converted to C\$ based on exchange rates as at March 31, 2023. AUM excludes standalone businesses and private wealth platform. Included in 3<sup>rd</sup> parties are associated companies including Great-West, IGM and GBL as well as commitments from management.

<sup>1</sup> Funded and unfunded AUM as at March 31, 2023 do not include funds launched or capital raised subsequent to March 31, 2023.

<sup>2</sup> Includes Power group's ownership in Wealthsimple valued at \$0.9 billion.

<sup>3</sup> Net of \$2.0 billion of project debt.

# Building alternative investment platforms

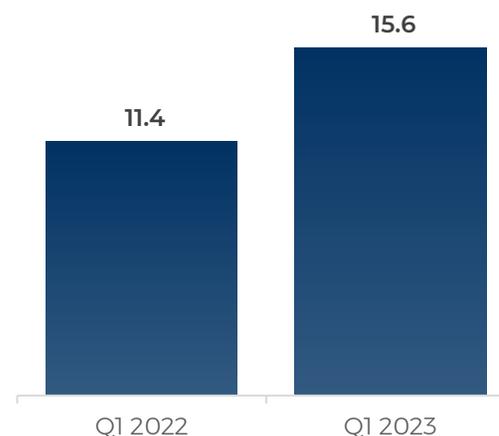
- **Sagard and Power Sustainable are focused on growing by attracting third party capital and adhering to sound financial disciplines that target a positive fee-related earnings contribution as they scale**
- **Recurring fees generated on committed capital, invested capital or NAV**
  - **Base management fees range from 0.75% to 2.25%<sup>1,2</sup>**
  - **Fundraising activities ongoing for 6 launched funds & strategies<sup>3</sup> with additional fund launches expected**

## Asset Management Activities

	(\$ millions)	Q1 2023	Q1 2022
Sagard	Management fees	45	34
	Investment platform expenses	(47)	(36)
	Fee-related earnings <sup>(6)</sup>	(2)	(2)
	Net carried interest <sup>(4)</sup>	(2)	(11)
	Other	(6)	(1)
		<b>(10)</b>	<b>(14)</b>
Power Sustainable	Management fees	6	4
	Investment platform expenses	(19)	(14)
	Fee-related earnings <sup>(6)</sup>	(13)	(10)
	Net performance fees and carried interest <sup>(4)</sup>	6	-
	Other	(5)	(2)
		<b>(12)</b>	<b>(12)</b>
	<b>Net loss</b>	<b>(22)</b>	<b>(26)</b>

## Fee-Bearing Capital<sup>4,5</sup>

(\$ billions)



<sup>1</sup> Refer to the Corporation's most recent interim MD&A for further detail on base fees and carried interest per fund.

<sup>2</sup> Excluding SMAs and co-investment vehicles.

<sup>3</sup> Sagard Senior Loans, Sagard's real estate strategy, Portage Capital Solutions, Power Sustainable China, PSEIP vintage 2 and Power Sustainable Lios.

<sup>4</sup> Refer to the "Other Measures" section at the beginning of this presentation for more information.

<sup>5</sup> Fee-bearing capital excludes Sagard's wealth management business.

<sup>6</sup> Fee-related earnings is a non-IFRS financial measure. Items excluded from fee-related earnings have been included in Other. Refer to the "Non-IFRS Financial Measures" section at the beginning of this presentation for more information.

# Standalone businesses remain an additional source of value creation

The standalone businesses, representing \$813 million<sup>1</sup> of NAV and \$675 million of carrying value in aggregate, will be managed by Power to realize value over time

- On April 18, Bellus announced an agreement in which it will be acquired by GSK. Power expects to receive US\$73 million upon closing<sup>2</sup>

Business	May 15, 2023 Fair Value (Publicly Traded Co's)	Progress in Surfacing and Realizing Value
 (TSX:LEV, NYSE:LEV) <sup>3</sup>	\$227 million <sup>4</sup>	<ul style="list-style-type: none"> <li>In Q1 2023, Lion delivered 220 vehicles, an increase of 136 vehicles, as compared with the same period last year</li> <li>Order book<sup>5</sup> of 2,565 vehicles as of May 8, 2023, representing a combined total order value of approximately US\$625 million based on Lion's estimate</li> </ul>
	Private Company	<ul style="list-style-type: none"> <li>In November 2022, acquired Lumca Inc. a pure-play innovative LED lighting solutions provider in the site and area market</li> <li>In February 2023, acquired Architectural Lighting Works, an innovative interior and exterior architectural LED lighting solutions provider</li> </ul>
<b>Peak Achievement Athletics</b>	Private Company	<ul style="list-style-type: none"> <li>Bauer's business has accelerated driven by new product development, market share gains and pricing increases</li> </ul>

<sup>1</sup> Net of taxes and long-term incentive plan as at March 31, 2023. An additional deferred tax liability has been included in the adjusted net asset value with respect to the investments in standalone businesses at fair value, without taking into account possible tax planning strategies. The Corporation has tax attributes (not otherwise recognized on the balance sheet) that could be available to minimize the tax if the Corporation were to dispose of its interests held in the standalone businesses.

<sup>2</sup> Power currently holds its investment in Bellus at a carrying value of nil and included in "Other assets and investments" in the Corporation's NAV. Transaction expected to close in Q3 2023, subject to customary conditions.

<sup>3</sup> Q1 2023 results reported on May 9, 2023.

<sup>4</sup> Before taxes and long-term incentive plan.

<sup>5</sup> Identified by Lion as an Other Performance metric. Refer to Lion's most recent interim MD&A for a definition which is available either directly from SEDAR ([www.sedar.com](http://www.sedar.com)) or directly from Lion's website ([www.thelionelectric.com](http://www.thelionelectric.com)).

# Returning capital to shareholders

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Power continued to return capital to shareholders during the first quarter

- \$330 million of dividends paid to participating shareholders
- \$42 million of shares repurchased under the NCIB program
  - 1.2 million shares, or 0.2% of participating shares

While building cash and maintaining a strong financial position

- \$1.35 billion of available cash<sup>1</sup>
- Power generally targets to maintain minimum available cash of 2x fixed charges, currently approximately \$800 million
- Power Corporation's prudent approach to managing leverage has contributed to strong and stable credit ratings, throughout economic cycles
  - S&P: A+ (Stable), DBRS: A (Stable)

<sup>1</sup> Cash and cash equivalents plus IGM dividends declared and not received less Power dividends declared and not paid.

# Power discount to NAV<sup>1</sup>

Power's discount to NAV has been narrowing through execution of its value creation strategy



<sup>1</sup> Discount to NAV is a non-IFRS ratio. Refer to the "Non-IFRS Financial Measures" section at the beginning of this presentation for more information.  
<sup>2</sup> As at May 15, 2023.

# Opportunities for further value creation

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Power will continue to exercise its three levers for value creation, with concrete actions and opportunities available in the short to medium-term

## 1 OpCo Organic Levers

- Targeting earnings growth at OpCos, building on significant business momentum
  - Diversified, broad-based earnings at Great-West, with growth led by Empower
  - IGM business momentum led by IG Wealth
  - GBL increasing its investments in private assets

## 2 OpCo M&A Levers

- Continued execution and integration of recently closed M&A transactions
- Ongoing assessment of potential opportunities in high growth areas
- Continuously manage portfolio to ensure return objectives are met

## 3 Power Company Level Levers

- Return capital to Power shareholders
- Opportunities for further simplification
- Continued fundraising at Sagard and Power Sustainable to realize the benefits of scale
- Continued communication with stakeholders
- Further reduction of the NAV discount



POWER CORPORATION  
OF CANADA

Questions



POWER CORPORATION  
OF CANADA

# Appendix

# Abbreviations

The following abbreviations are used throughout this presentation:

<b>adidas</b>	adidas AG	<b>NAV or Net Asset Value</b>	Adjusted net asset value
<b>Affidea</b>	Affidea Group B.V.	<b>NCI</b>	Non-controlling interests
<b>AFS</b>	Available for sale	<b>NCIB</b>	Normal course issuer bid
<b>AUM</b>	Assets under management	<b>NYSE</b>	New York Stock Exchange
<b>AUM&amp;A</b>	Asset under management & advisement	<b>Ontex</b>	Ontex N.V.
<b>Bellus</b>	Bellus Health Inc.	<b>Parjointco</b>	Parjointco SA
<b>Canada Life</b>	The Canada Life Assurance Company	<b>Parques Reunidos</b>	Parques Reunidos Servicios Centrales, S.A.
<b>Canyon</b>	Canyon Bicycles GmbH	<b>Peak Achievement</b>	Peak Achievement Athletics Inc.
<b>ChinaAMC</b>	China Asset Management Co., Ltd.	<b>Athletics or Peak</b>	
<b>Concentrix</b>	Concentrix Corporation	<b>Pernod Ricard</b>	Pernod Ricard SA
<b>Empower</b>	Empower Insurance Company of America	<b>Portage I</b>	Portag3 Ventures Limited Partnership
<b>Energy Infrastructure</b>	Power Sustainable Energy Infrastructure	<b>Portage II</b>	Portag3 Ventures II Limited Partnership
<b>EPS</b>	Earnings per share	<b>Portage III</b>	Portages Ventures III Limited Partnership
<b>FVOCI</b>	Fair value through other comprehensive income	<b>Power Corporation, PCC,</b>	Power Corporation of Canada
<b>FVPL</b>	Fair value through profit or loss	<b>Power or the Corporation</b>	
<b>GAAP</b>	Generally Accepted Accounting Principles	<b>Power Financial or PFC</b>	Power Financial Corporation
<b>GBL</b>	Groupe Bruxelles Lambert	<b>Power Sustainable</b>	Power Sustainable Capital Inc.
<b>GEA</b>	GEA Group	<b>Power Sustainable China or</b>	Power Sustainable Investment Management Inc.
<b>GP</b>	General partner	<b>Sustainable China</b>	
<b>GP Strategies</b>	GP Strategies Corporation	<b>Power Sustainable Lios or</b>	Power Sustainable Lios Inc.
<b>Great-West or Great-West</b>	Great-West Lifeco Inc.	<b>Lios</b>	
<b>Lifeco or Lifeco</b>		<b>PSEIP</b>	Power Sustainable Energy Infrastructure Partnership
<b>GSK</b>	GSK plc	<b>Rockefeller</b>	Rockefeller Capital Management
<b>Holcim</b>	Holcim Ltd	<b>Sagard</b>	Sagard Holdings Inc.
<b>IFRS</b>	International Financial Reporting Standards	<b>Sagard MidCap</b>	Sagard MidCap II, Sagard MidCap III, Sagard MidCap IV
<b>IG Wealth or IG</b>	Investors Group Inc.	<b>Sanoptis</b>	Sanoptis AG
<b>IGM or IGM Financial</b>	IGM Financial Inc.	<b>SGS</b>	SGS SA
<b>Imerys</b>	Imerys SA	<b>SMA</b>	Separately managed account
<b>Investment Planning</b>	Investment Planning Counsel Inc.	<b>TotalEnergies</b>	TotalEnergies SA
<b>Counsel or IPC</b>		<b>TSX</b>	Toronto Stock Exchange
<b>LICAT</b>	Life Insurance Capital Adequacy Test	<b>Umicore</b>	Umicore, NV/SA
<b>Lion</b>	The Lion Electric Company	<b>Wealthsimple</b>	Wealthsimple Financial Corp.
<b>LMPG</b>	LMPG Inc.	<b>Webhelp</b>	Webhelp Group
<b>M&amp;A</b>	Merger and acquisitions	<b>WHO</b>	World Health Organization
<b>Mackenzie or</b>	Mackenzie Financial Corporation		
<b>Mackenzie Investments</b>			
<b>MD&amp;A</b>	Management's Discussion & Analysis		

# Power is pursuing a focused strategy emphasizing financial services

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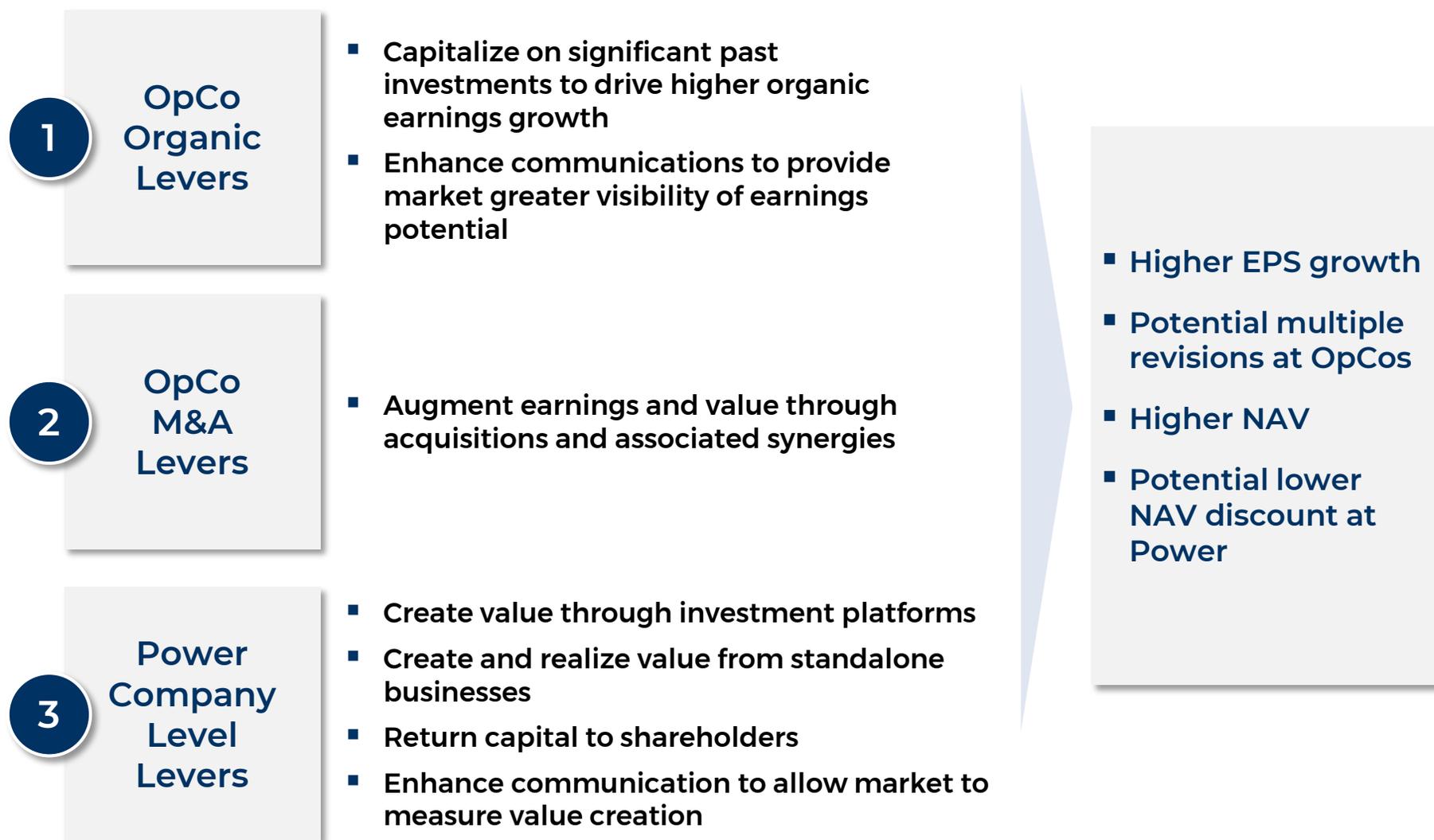
- Focused upon financial services, not diversification
- Publicly traded operating companies pursuing organic and inorganic value creation strategies
- Surfacing incremental value by:
  - Building alternative asset management businesses, creating value as asset managers and earning attractive returns on Power's seed capital
  - Managing standalone businesses to realize value over time
  - Following disciplined cost management practices
  - Managing our financial structure prudently but efficiently, including returning capital to shareholders when appropriate

Clearly communicate our strategies, our objectives, and our performance to all market participants

All guided by Power's existing core principles

# Value creation roadmap

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## Value creation focus of the publicly traded operating companies

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- Drive higher earnings and cash flow growth
- Pursue M&A transactions to enhance earnings and strategic positioning
- Continuously manage portfolio to ensure growth and return objectives are met
- Clearly communicate strategy to all stakeholders

# IFRS 9 classification of Power's financial assets

		<u>Previous Classification (IAS 39)</u>	<u>Current Classification (IFRS 9)</u>
<b>GBL Investments</b>	Listed & Private Investments	AFS	FVOCI <sup>(1)</sup>
	GBL Capital	AFS	FVPL <sup>(1)</sup>
<b>Alternative Asset Investment Platforms</b>	Investments within Consolidated Funds	AFS (Portage I) FVPL (Portage II, III)	FVPL FVPL
	Non-Consolidated Funds	AFS (Sagard MidCap) FVPL (Other Sagard Funds)	FVPL FVPL
	Power Sustainable China	AFS	FVOCI
	Other Investments	AFS	FVPL
<b>Corporate Investments</b>	Money Market	AFS	Amortized Cost

<sup>1</sup> Same classification as GBL.  
 Note: IFRS 9 does not apply to the Corporation's investment in associates, joint ventures and controlled entities.

# GBL reported net asset value<sup>1</sup>

Net asset value per share reported by GBL of €121.54 at March 31, 2023, compared with €116.18 at December 31, 2022

	Mar. 31, 2023 Value (€M)	Power Share of Value (€M) <sup>(2)</sup>	% of Portfolio
Listed Investments	12,957	1,931	64.7%
Private Investments	4,309	642	21.5%
GBL Capital	2,649	395	13.2%
Sienna Investment Managers	120	18	0.6%
<b>Portfolio</b>	<b>20,035</b>	<b>2,985</b>	<b>100.0%</b>
Treasury Shares	1,108	165	
Gross Debt	(4,068)	(606)	
Cash and Cash Equivalents	1,521	227	
<b>Net Asset Value</b>	<b>18,596</b>	<b>2,771</b>	
<b>Net Asset Value per Share (€)</b>	<b>121.54</b>		
Share Price (€)	78.50		
<b>Discount (in %)</b>	<b>35.4%</b>		



	% Ownership	Mar. 31, 2023 Value (€M)	Power Share of Value (€M) <sup>(2)</sup>	% of Portfolio
<b>Listed Investments</b>				
Pernod Ricard	6.7%	3,591	535	17.9%
SGS	19.3%	2,914	434	14.5%
adidas	7.6%	2,232	333	11.1%
Imerys	54.6%	1,847	275	9.2%
Umicore	15.9%	1,224	182	6.1%
Holcim	2.1%	567 <sup>(3)</sup>	84	2.8%
GEA	6.3%	454 <sup>(4)</sup>	68	2.3%
Ontex	20.0%	113	17	0.6%
TotalEnergies	0.01%	15	2	0.1%
		<b>12,957</b>	<b>1,931</b>	<b>64.7%</b>

	% Ownership	Mar. 31, 2023 Value (€M)	Power Share of Value (€M) <sup>(2)</sup>	% of Portfolio
<b>Private Investments</b>				
Webhelp	61.5%	1,546	230	7.7%
Affidea	99.6%	996	148	5.0%
Sanoptis	83.8%	711	106	3.5%
Canyon <sup>(5)</sup>	48.0%	481	72	2.4%
Parques Reunidos	23.0%	296	44	1.5%
Voodoo	16.2%	279	42	1.4%
		<b>4,309</b>	<b>642</b>	<b>21.5%</b>

<sup>1</sup> Refer to the "Disclosures Concerning Public Investees" section at the beginning of this presentation for more information.

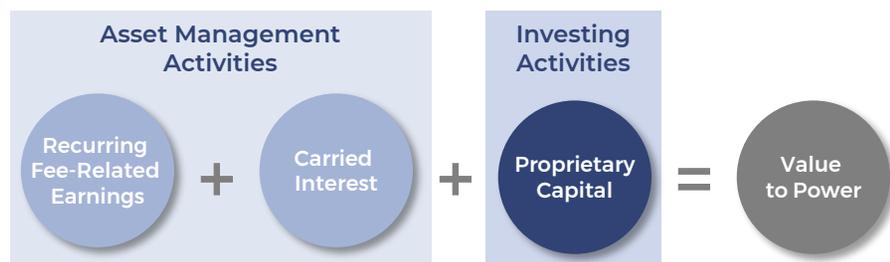
<sup>2</sup> Power share of value based on 14.9% ownership, held through Parjointco, a jointly controlled corporation (50%).

<sup>3</sup> The amount corresponds to the proceeds of forward sales plus dividend.

<sup>4</sup> As of March 31, 2023, the value of the shares underlying the bonds exchangeable into GEA shares has been capped at the implied exchange price, i.e., €39.94 per share.

<sup>5</sup> GBL's ownership in Canyon, excluding shares held by GBL Capital (additional indirect ownership of 1.32% as of March 31, 2023).

# Power's alternative asset investment platforms



## Asset Management - Building investment platforms to deliver recurring asset management earnings

- Through ownership in the GPs of Sagard and Power Sustainable, Power expects to generate a recurring stream of management fees and its share of performance-based carried interest, net of operating expenses

## Investing Activities - Earning attractive returns on its proprietary capital across multiple strategies

- Power invests proprietary capital in the strategies of Sagard and Power Sustainable to support their growth and development as alternative asset managers
- Power seeks to earn attractive returns on its proprietary capital
- Platforms' growth strategy is focused on raising 3<sup>rd</sup> party capital

Refer to the Corporation's most recent interim MD&A for further detail.

<sup>1</sup> Includes management fees charged by the investment platform on proprietary capital and management of standalone businesses. Management fees paid by the Corporation are deducted from income from investing activities.

<sup>2</sup> Fee-related earnings is a non-IFRS financial measure. Items excluded from fee-related earnings have been included in Other. Refer to the "Non-IFRS Financial Measures" section at the beginning of this presentation for more information.

<sup>3</sup> Net carried interest is comprised of carried interest earned, net of employee costs which are recognized over the vesting period. Carried interest is recognized based on changes in fair value of investments held within each consolidated fund, and based on carried interest earned when it is highly probable that a significant reversal will not occur with respect to unconsolidated funds. The Corporation's share of carried interest expense payable by the fund is included in investing activities.

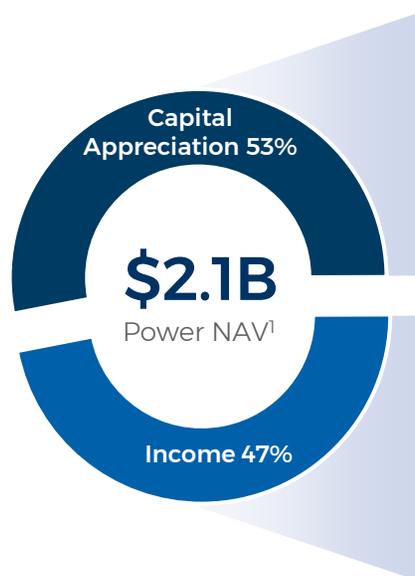
<sup>4</sup> Includes the Corporation's share of earnings (losses) of Wealthsimple.

<sup>5</sup> Chinese public equities classified as FVOCI upon adoption of IFRS 9 on January 1, 2023. Going forward, results are comprised of dividend income and management and performance fee expenses.

(\$ millions)	Q1 2023	Q1 2022
<b>Asset Management Activities</b>		
<b>Sagard</b>		
Management fees <sup>(1)</sup>	45	34
Investment platform expenses	(47)	(36)
Fee-related earnings <sup>(2)</sup>	(2)	(2)
Net carried interest <sup>(3)</sup>	(2)	(11)
Other <sup>(2)</sup>	(6)	(1)
	(10)	(14)
<b>Power Sustainable</b>		
Management fees <sup>(1)</sup>	6	4
Investment platform expenses	(19)	(14)
Fee-related earnings <sup>(2)</sup>	(13)	(10)
Net performance fees and carried interest <sup>(3)</sup>	6	-
Other <sup>(2)</sup>	(5)	(2)
	(12)	(12)
	(22)	(26)
<b>Investing Activities (Power's Proprietary Capital)</b>		
<b>Sagard</b>		
Private equity and other strategies	9	13
Venture capital (fintech investments) <sup>(4)</sup>	(10)	1
<b>Power Sustainable</b>		
Public equity <sup>(5)</sup>	(2)	(70)
Energy infrastructure		
Losses before changes in NCI	(30)	1
Revaluation of NCI liabilities	(33)	-
	(66)	(55)
<b>Contribution to Adjusted Net Earnings (Loss)</b>	<b>(88)</b>	<b>(81)</b>
Adjustments	-	(10)
<b>Contribution to Net Earnings (Loss)</b>	<b>(88)</b>	<b>(91)</b>

# Earning attractive returns on its proprietary capital across multiple strategies

- Returns are expected to be realized over differing time horizons
  - Capital appreciation strategies are expected to generate returns as investments are monetized
  - Income strategies are expected to generate returns on a recurring basis



Strategies	Consolidated P&L Impact	Power Fair Value of Investments <sup>2</sup> (% of Funded AUM)	Unfunded Commitment <sup>2,3</sup> (% of Unfunded)	Gross Target IRR <sup>4</sup>
<ul style="list-style-type: none"> <li>▪ Private Equity</li> <li>▪ Venture Capital &amp; Growth</li> <li>▪ Sustainable China</li> </ul>	<ul style="list-style-type: none"> <li>▪ 60% of value marked to market through Other Comprehensive Income. Gains and losses realized on disposal</li> <li>▪ 40% of value marked to market through P&amp;L</li> </ul>	<b>\$1.1B</b> (23%)	<b>\$0.2B</b> (8%)	<b>10-20%</b>
<ul style="list-style-type: none"> <li>▪ Private Credit</li> <li>▪ Royalties</li> <li>▪ Energy Infrastructure</li> <li>▪ Real Estate</li> </ul>	<ul style="list-style-type: none"> <li>▪ Private Credit, Royalties and Real Estate marked to market through P&amp;L</li> <li>▪ Power Sustainable Energy consolidated                             <ul style="list-style-type: none"> <li>• Includes depreciation and financing costs</li> <li>• Non-controlling interest recorded as fair value through P&amp;L</li> </ul> </li> </ul>	<b>\$1.0B</b> (10%)	<b>\$0.3B</b> (9%)	<b>10-15%</b>

<sup>1</sup> Excludes investment in Wealthsimple which is consolidated and represents \$0.3 billion in Power's NAV.

<sup>2</sup> Power's investments only as at March 31, 2023, excludes investments and outstanding commitments by Great-West and IGM.

<sup>3</sup> Refer to the "Other Measures" section at the beginning of this presentation for more information.

<sup>4</sup> Illustrative target gross of fees, carried interest and expenses and assumes no recycling / leverage at the fund level. There can be no assurance that the fund or any investment will achieve the targeted return. An internal rate of return (IRR) represents the discount rate at which the net present value of all cash flows equal to zero.