2026

Second Quarter Report

FOR THE PERIOD ENDED
JUNE 30, 2026

POWER CORPORATION
OF CANADA

Power Corporation of Canada

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This document contains management's discussion and analysis of the financial condition, financial performance and cash flows of Power Corporation of Canada (the Corporation) for the three months and six months ended June 30, 2026 and the unaudited interim condensed consolidated financial statements of the Corporation as at and for the three months and six months ended June 30, 2026. This document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada and is available under the Corporation's profile on SEDAR+, at www.sedarplus.ca.

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Power Corporation of Canada

PART A

MANAGEMENT'S DISCUSSION AND ANALYSIS

Abbreviations used throughout this Management's Discussion and Analysis (MD&A) are defined in the section "Abbreviations".

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A, 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' current expectations as disclosed in their respective MD&A. Forward-looking statements are provided for the purposes of assisting the 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 the outlook for North American and international economies for the current fiscal year and subsequent periods, the Corporation's NCIB commenced in 2026, statements concerning deferred taxes, the fintech strategy, fundraising activities and investment strategies of the investment platforms, capital commitments by the Power group and third parties, the timing and expected impact of the Corporation's disposal of its investment in LMPG, the expected impact of SHMI's investment in Unigestion, GBL's strategy to simplify its portfolio and the expected timing and impacts of its investments in direct private assets, the Corporation's subsidiaries' disclosed expectations including Great West's NCIB and the Corporation's participation therein, and the timing and expected impacts of Great West's acquisition of the retirement plan and benefits administration business of Milliman, Inc., the expected impacts of IGM's acquisition of additional interests in Northleaf, and the impacts of IGM's simplification initiatives and expected investments in artificial intelligence capabilities. 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 administrations, regulation, legislation and policies, changes in tax laws, the impacts of trade relations, ongoing trade tensions and fiscal policy developments, geopolitical tensions and related economic impacts, unexpected judicial or regulatory proceedings, catastrophic events, man-made disasters, terrorist attacks, wars and other conflicts, or an outbreak of a public health pandemic or other public health crises, 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 MD&A, the factors identified by such subsidiaries in their respective MD&A.

The 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, and that strategic transactions, acquisitions, divestitures or other growth or optimization strategies will be completed on expected terms, including that any required approvals 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. Other considerations also include 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 with respect to forward-looking statements of the Corporation's subsidiaries disclosed in this MD&A, that the risks identified by such subsidiaries in their respective MD&A and Annual Information Form are not expected to have a material impact on the Corporation. 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 this MD&A, the 2025 Annual MD&A (as defined herein) and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedarplus.ca.

STATEMENT REGARDING NON-IFRS FINANCIAL MEASURES AND OTHER MEASURES

This MD&A contains financial measures (including ratios) that do not have a standard meaning under International Financial Reporting Standards (IFRS) Accounting Standards. 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 under management and advisement", "consolidated assets and assets under administration" and "fee-related earnings". Management uses these financial measures in its presentation and analysis of the financial performance, financial condition and cash flows of Power Corporation, and believes that they provide additional meaningful information to 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 this MD&A for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS as well as additional details on each measure. Reconciliations of the adjusted net asset value and the holding company balance sheet are also included in the section "Adjusted Net Asset Value".

This MD&A also includes other measures used to discuss activities of the Corporation, its consolidated publicly traded operating companies and alternative asset investment platforms including, but not limited to, "accumulated unrealized carried interest", "assets under management", "assets under administration", "assets under management and advisement", "assets under management and advisement including strategic investments", "book value per participating share", "capital commitments", "carried interest", "fee-bearing capital", "market capitalization", "net asset value", "net carried interest", "non-fee-bearing assets", "unfunded commitments" and "weighted average management fee rate". In addition, 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 this MD&A for a definition of each measure.

JULY 30, 2026

ALL TABULAR AMOUNTS ARE IN MILLIONS OF CANADIAN DOLLARS, UNLESS OTHERWISE NOTED.

The following MD&A of Power Corporation of Canada (Power Corporation or the Corporation) (TSX: POW; POW.PR.E), a public corporation, is for the three-month and six-month periods ended June 30, 2026. This MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements of Power Corporation and notes thereto for the three-month and six-month periods ended June 30, 2026 (the Interim Consolidated Financial Statements), the MD&A for the year ended December 31, 2025 (the 2025 Annual MD&A), and the audited consolidated financial statements and notes thereto for the year ended December 31, 2025 (the 2025 Consolidated Financial Statements). Additional information relating to Power Corporation, including its Annual Information Form, may be found on the Corporation's website at www.powercorporation.com and on SEDAR+ at www.sedarplus.ca.

ORGANIZATION OF THE INTERIM MD&A

The Corporation's MD&A consists of three parts:

- Part A – Power Corporation, presented on a consolidated basis, and including a discussion of the contribution to the holding company from Great West, IGM, GBL, and its alternative asset investment platforms and other investments;
- Part B – Great West's interim MD&A, as prepared and disclosed by Great West in accordance with applicable securities legislation, which is also available either directly from SEDAR+ (www.sedarplus.ca) or from Great West's website (www.greatwestlifeco.com);
- Part C – IGM's interim MD&A, as prepared and disclosed by IGM in accordance with applicable securities legislation, which is also available either directly from SEDAR+ (www.sedarplus.ca) or from IGM's website (www.igmfinancial.com).

Great West (TSX: GWO) and IGM (TSX: IGM) are public companies listed on the Toronto Stock Exchange. GBL is a public company listed on the Brussels Stock Exchange (EBR: GBLB). Market capitalizations reported in the following sections are at June 30, 2026 (refer to the section "Other Measures").

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POWER CORPORATION OF CANADA

OVERVIEW

Incorporated in 1925, Power Corporation (TSX: POW; POW.PR.E) is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms. Through Power Financial, it holds a controlling interest in Great West and IGM and has an active fintech strategy. It also holds, jointly with the Frère Group of Belgium, a controlling interest in GBL.

Power Corporation conducts its investment activities, built upon a network of deep and long-standing relationships, to provide superior returns. Investment activities include investments in alternative asset managers, Sagard and Power Sustainable, investment funds, and interests in China resulting from more than 40 years of engagement. The Corporation aims to act as an owner with a long-term perspective and a strategic vision anchored in strong core values.

Power Corporation adheres to four overriding investing principles to pursue its objective of achieving sustainable long-term value creation in the best interests of the Corporation:

- Long-term perspective;
- Leading franchises with attractive growth profiles;
- Strong governance oversight; and
- Prudent approach to risk management.

VALUE CREATION STRATEGY

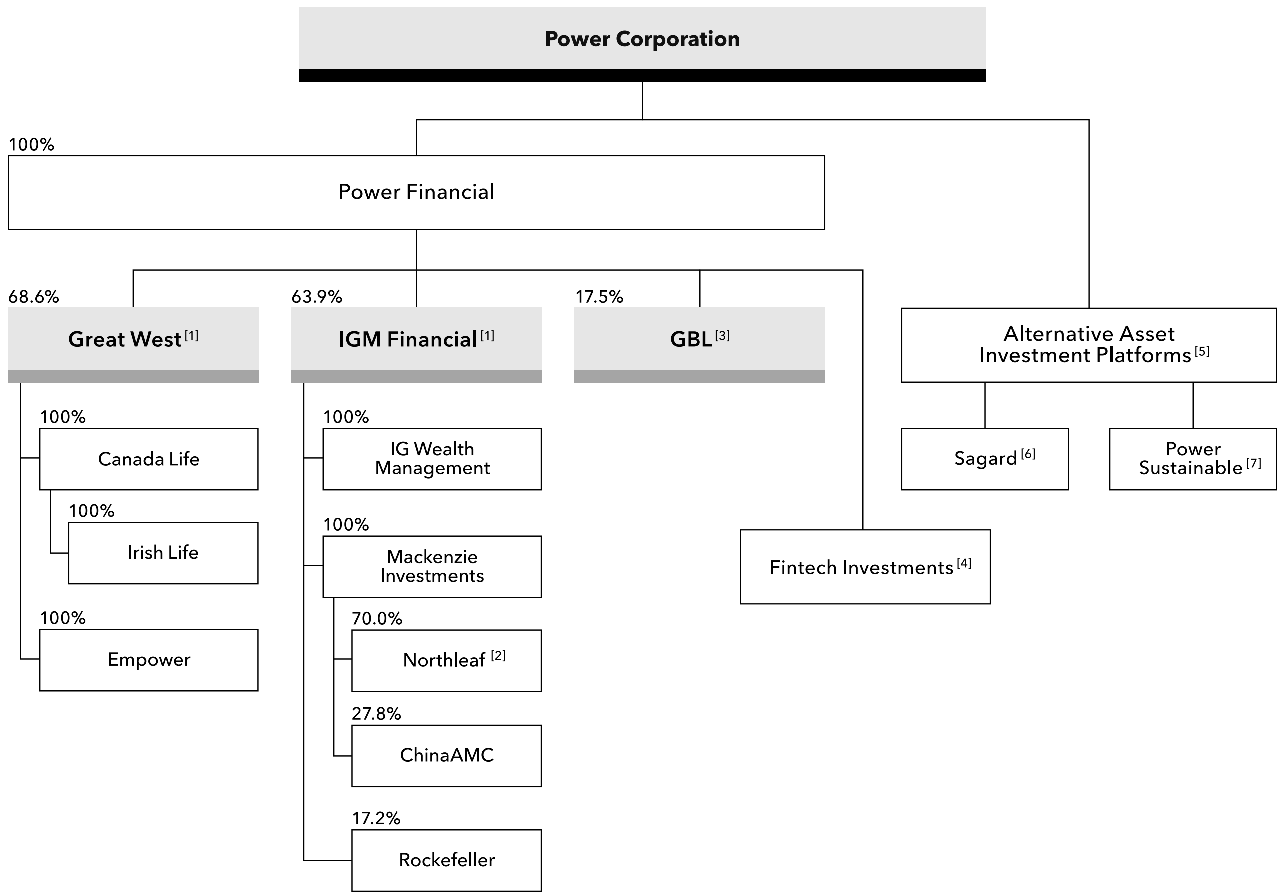
Power Corporation's value creation strategy is focused on financial services, designed to generate long-term sustainable growth in earnings and dividends, and is based upon three key levers:

- Operating company organic levers: organic growth strategies at the publicly traded operating companies;
- Operating company inorganic levers: deployment and redeployment of capital; and
- Power Corporation levers: actions that can be taken at the Corporation and between the Corporation and its publicly traded operating companies and investments.

Power Corporation, through its alternative asset investment platforms, continues to develop its alternative asset management businesses which build upon the investment capabilities that have been created over many years in several high-growth asset classes. The alternative asset investment platforms are focused on growing their asset management businesses through raising third-party capital and the Corporation intends to continue to provide proprietary capital to the different investment products managed by each.

GROUP STRUCTURE

The following chart reflects the economic interests held by the Corporation at June 30, 2026, which include the operating subsidiaries (Great West and IGM) and its interest in GBL, held through Power Financial, and interests held through the Corporation's alternative asset investment platforms.



In bold: Publicly listed holdings

[1] Great West, through Canada Life, held a 4.0% interest in IGM, and IGM held a 2.5% interest in Great West.

[2] Represents a 49.9% non-controlling voting interest at June 30, 2026. The interest in Northleaf is held through an acquisition vehicle in which Mackenzie held an 80% equity interest and Great West held a 20% equity interest. Subsequent to quarter-end, Mackenzie and Great West acquired an additional interest in Northleaf aligning their voting interest with their economic interest; IGM will consolidate Northleaf beginning on July 1, 2026. Refer to the section "IGM Financial".

[3] Held through Parjointco, a jointly controlled corporation (50%). Parjointco held a 48.6% voting interest in GBL. Refer to the section "GBL" for a list of investments.

[4] Includes a controlling interest in the Portage Ventures Funds and Wealthsimple, held through Power Financial, Great West and IGM.

[5] Refer to the section "Sagard and Power Sustainable" for a list of investments held by each investment platform.

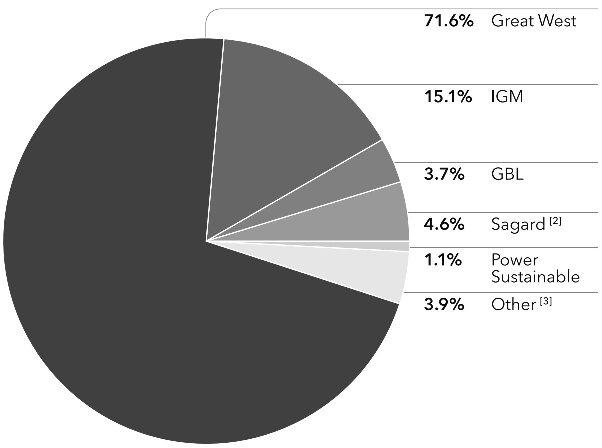
[6] The Corporation held a 44.6% interest in SHMI, and Great West and GBL held interests of 10.8% and 4.1%, respectively. Refer to the section "Sagard and Power Sustainable".

[7] The Corporation held a 72.6% interest in PSM, and Great West held a 20.3% interest. Refer to the section "Sagard and Power Sustainable".

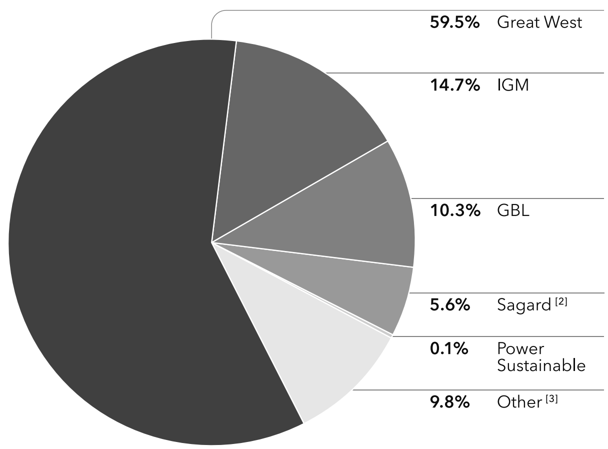
As a holding company, the Corporation uses adjusted net asset value [1], which presents the fair value of the participating shareholders' equity of the holding company, to assess the value, composition and size of its investment holdings. The charts below present the composition and relative size of investment holdings within the Power group, as well as show the composition of the assets included in the adjusted net asset value and the holding company balance sheet, which are discussed in detail later in this MD&A.

TOTAL HOLDING COMPANY ASSETS

IN ADJUSTED NET ASSET VALUE



IN HOLDING COMPANY BALANCE SHEET



[1] Adjusted net asset value is a non-IFRS financial measure. Refer to the sections "Adjusted Net Asset Value" and "Non-IFRS Financial Measures".

[2] Includes fintech investments held by the Corporation including investments in the Portage Ventures Funds, Portage Capital Solutions and Wealthsimple.

[3] Includes the Corporation's cash and cash equivalents, other assets and investments held by the holding company, and the investment in LMPG.

Publicly Traded Operating Companies

The Corporation holds controlling interests, through Power Financial, in Great West and IGM. It also has significant holdings in a portfolio of European-based global companies through its investment in GBL.

GREAT WEST

Great-West Lifeco Inc. (TSX: GWO), market capitalization of $80.8 billion (refer to the section "Other Measures") at June 30, 2026, is a financial services holding company that provides retirement, wealth, group benefits and insurance and risk solutions to approximately 40 million customer relationships. Great West operates in the United States (U.S.), Canada and Europe under the brands Empower, Canada Life and Irish Life.

At June 30, 2026, Power Financial and IGM held interests of 68.6% and 2.5%, respectively, in Great West's common shares, representing approximately 65% of the voting rights attached to all outstanding Great West voting shares. The *Insurance Companies Act* limits voting rights in life insurance companies to 65%.

IGM FINANCIAL

IGM Financial Inc. (TSX: IGM), market capitalization of $18.3 billion at June 30, 2026, is a leading Canadian diversified wealth and asset management company supporting advisors and the clients they serve in Canada, and institutional investors globally. IGM provides a broad range of financial planning and investment management services to help approximately two million Canadians meet their financial goals. IGM's principal operating subsidiaries are wealth manager IG Wealth Management and asset manager Mackenzie Investments. IGM also holds a number of strategic investments that provide benefits to its operating subsidiaries while furthering IGM's growth prospects.

At June 30, 2026, Power Financial and Canada Life, a subsidiary of Great West, held interests of 63.9% and 4.0%, respectively, in IGM's common shares.

GBL

Power Financial Europe SA, a wholly owned subsidiary of Power Financial, and the Frère Group each hold a 50% interest in Parjointco. At June 30, 2026, Parjointco held a 35.1% indirect (48.6% of the voting rights) controlling interest in GBL, a European holding company listed on the Brussels Stock Exchange.

GBL (EBR: GBLB), market capitalization of €10.3 billion at June 30, 2026, is an established investment holding company. As a leading and active investor in Europe, GBL is focused on long-term value creation with the support of a stable family shareholder base. GBL is focused on delivering meaningful growth by providing attractive returns to its shareholders through a combination of growth in its net asset value per share, a sustainable dividend and share buybacks.

Alternative Asset Investment Platforms

Power Corporation continues to develop alternative asset investment platforms (investment platforms) that manage portfolios in several alternative asset classes, principally in North America and Europe. The alternative asset investment platforms offer alternative strategies to traditional long-term investment strategies. Traditional long-term investment strategies generally invest in publicly traded shares and fixed income investments, whereas the alternative asset investment strategies include venture capital, private equity, private credit as well as real estate and infrastructure. At June 30, 2026, the alternative asset investment platforms had $71.0 billion of assets under management, including unfunded commitments (refer to the section "Other Measures").

SAGARD

Sagard is a global multi-strategy alternative asset management firm active in venture capital, private equity, private credit and real estate. Sagard delivers flexible capital, an entrepreneurial culture, and a global network of investors, commercial partners, advisors, and value creation experts to its portfolio companies. Sagard also engages in private wealth management and holds strategic interests in other alternative asset management businesses. The firm has offices in Canada, the U.S., Europe and the Middle East. At June 30, 2026, Sagard had $66.7 billion of assets under management, including unfunded commitments.

The asset management business of Sagard is consolidated under Sagard Holdings Management Inc. (SHMI). The Corporation held a 44.6% controlling interest in SHMI at June 30, 2026 (44.2% at December 31, 2025). Great West and GBL also held interests of 10.8% and 4.1%, respectively, in SHMI at June 30, 2026 (11.0% and 4.9%, respectively, at December 31, 2025).

POWER SUSTAINABLE

Power Sustainable is a sustainability-focused investment manager with offices in Canada and the U.S. Power Sustainable finances companies and projects that aim for both competitive returns and positive sustainability outcomes, and offers institutional investors exposure to alternative assets which aim to accelerate and scale sustainable solutions across multiple industries. Power Sustainable invests in companies and projects that contribute to decarbonization, sustainable cities and communities and resource efficiency, which are priorities shared by its global network of clients, asset owners, partners and employees. Power Sustainable is currently comprised of four strategies: Power Sustainable Energy Infrastructure, Power Sustainable Infrastructure Credit, Power Sustainable Lios (agri-food private equity) and Power Sustainable Decarb Private Equity. At June 30, 2026, Power Sustainable had $4.3 billion of assets under management, including unfunded commitments.

The asset management business of Power Sustainable is consolidated under Power Sustainable Manager Inc. (PSM). The Corporation held a 72.6% controlling interest in PSM at June 30, 2026 (73.0% at December 31, 2025). Great West also held an interest of 20.3% in PSM at June 30, 2026 (20.4% at December 31, 2025).

TABLE OF HOLDINGS

At June 30, 2026, the Corporation's main holdings were as follows:

Holdings	% economic interest	Nature of investment	Accounting method
Publicly traded operating companies [1]			
Great West [2]	68.6	Controlling interest	Consolidation
IGM [3]	63.9	Controlling interest	Consolidation
GBL [4]	17.5	Joint control	Equity method
Alternative asset investment platforms			
Sagard			
SHMI [5]	44.6	Controlling interest	Consolidation
BEX [6]	45.0	Controlling interest	Consolidation
PEM	100.0	Controlling interest	Consolidation
Unigestion	100.0	Controlling interest	Consolidation
HalseyPoint	40.0	Joint control	Equity method
Wealthsimple [1, 7]	19.8	Controlling interest	Consolidation
Portage Ventures I [1, 8]	63.0	Controlling interest	Consolidation
Portage Ventures II [1, 9]	12.4	Controlling interest	Consolidation
Portage Ventures III [10]	2.4	Controlling interest	Consolidation
Portage Ventures IV [11]	4.2	Controlling interest	Consolidation
Portage Capital Solutions [12]	29.2	Controlling interest	Consolidation
Sagard Funds [13]	various	Investment	Fair value through profit or loss
Power Sustainable			
Power Sustainable Manager [14]	72.6	Controlling interest	Consolidation
Power Sustainable Energy Infrastructure Partnership [15]	28.1	Controlling interest	Consolidation
Potentia	100.0	Controlling interest	Consolidation
Nautilus	100.0	Controlling interest	Consolidation
Decarbonization PE [15]	39.5	Controlling interest	Consolidation
Other investments			
LMPG	49.6	Controlling interest	Consolidation

[1] Investments held by the Corporation through Power Financial.

[2] IGM also held a 2.5% interest in Great West.

[3] Canada Life also held a 4.0% interest in IGM.

[4] Held through Parjointco, a jointly controlled corporation (50%). Parjointco held a controlling interest in GBL.

[5] Great West and GBL also held interests of 10.8% and 4.1%, respectively, in SHMI. During the first quarter of 2026, management of Sagard acquired an additional interest of 1.2%, on a fully diluted basis, in SHMI as part of its management co-investment program. At June 30, 2026, management of Sagard held a fully diluted interest of 20.9% in SHMI. SHMI also has a long-term incentive program pursuant to which certain key members of management have received, or will receive in the future, compensation in the form of equity of SHMI vesting over a 5-year period. Refer to the section "Sagard and Power Sustainable" for information on the equity financing round completed in the first quarter of 2026 as part of the Unigestion transaction.

[6] The Corporation, through Sagard U.K. Management Ltd., a wholly owned subsidiary of SHMI, currently has an exercisable option to buy an additional 5.1% equity interest in BEX.

[7] Power Financial held an effective economic interest of 19.8% in Wealthsimple (based on undiluted outstanding equity) through direct and indirect ownership interests held via Portage Ventures I; IGM and Great West also held effective economic interests of 30.6% and 1.9%, respectively, in Wealthsimple. Refer to the section "Wealthsimple" in the section "Sagard and Power Sustainable".

[8] Great West and IGM also held equal interests of 18.5% in Portage Ventures I.

[9] Power Financial held a 7.7% interest, Sagard held a 4.7% interest, and Great West and IGM also held equal interests of 7.7% in Portage Ventures II.

[10] Great West and IGM also held interests of 9.0% and 4.0%, respectively, in Portage Ventures III.

[11] Great West and IGM also held interests of 10.0% and 2.9%, respectively, in Portage Ventures IV.

[12] Great West also held an interest of 27.9% in Portage Capital Solutions.

[13] The Corporation held a non-controlling interest in various funds managed by SHMI. Great West and GBL also held investments in certain of these funds. Refer to the section "Asset Management Activities" in the section "Sagard and Power Sustainable" for a list of investments and the respective holdings.

[14] At June 30, 2026, management of Power Sustainable held a 7.1% interest in PSM. Great West also held an interest of 20.3% in PSM. PSM also has a long-term incentive program pursuant to which certain key members of management have received, or will receive in the future, compensation in the form of equity of PSM vesting over a 5-year period.

[15] Great West also held a 12.9% interest in PSEIP and a 28.2% interest in Power Sustainable Decarb PE.

FINANCIAL HIGHLIGHTS

SELECTED FINANCIAL INFORMATION

	Three months ended			Six months ended	
(in millions of dollars; except per share and as otherwise noted)	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net earnings [1]	690	820	772	1,510	1,461
Adjusted net earnings [1, 2]	974	905	883	1,879	1,670
Per share – basic [1]					
Net earnings	1.10	1.29	1.20	2.39	2.27
Adjusted net earnings [3]	1.55	1.43	1.38	2.98	2.60
Dividend declared (per participating share)	0.6675	0.6675	0.6125	1.3350	1.2250
Dividend yield [4]	3.0%	4.0%	4.6%		
Total consolidated assets (in billions)	1,019	930	868		
Total consolidated assets under management and advisement [2] (in billions)	1,624	1,450	1,307		
Total consolidated assets and assets under administration [2] (in billions)	4,460	3,986	3,643		
Adjusted net asset value [1, 2]	71,098	53,439	41,564		
Participating shareholders' equity	23,760	23,081	23,043		
Per share [1]					
Adjusted net asset value [3]	112.94	84.54	64.76		
Book value [5]	37.74	36.52	35.90		
Market capitalization [6]	55,660	42,331	34,139		
Share price (Subordinate Voting Shares)					
Ending	88.42	66.97	53.19	88.42	53.19
High	90.70	74.50	54.20	90.70	54.20
Low	67.04	62.50	47.05	62.50	41.88
Number of participating shares outstanding					
End of period	629.5	632.1	641.8	629.5	641.8
Average	630.2	634.1	642.1	632.1	642.6

[1] Attributable to participating shareholders.

[2] Non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures".

[3] Non-IFRS ratio. Refer to the section "Non-IFRS Financial Measures".

[4] Dividend yield is calculated as the annualized dividend per participating share based on the dividend declared during the reporting period divided by the share price of a Subordinate Voting Share at the end of the reporting period.

[5] Refer to the section "Other Measures".

[6] Represents the closing price of a Subordinate Voting Share at the end of the applicable reporting period multiplied by the aggregate of Subordinate Voting Shares and Participating Preferred Shares outstanding.

SUMMARY OF THE CONTRIBUTIONS TO POWER CORPORATION'S EARNINGS

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Great West [1]	871	851	790	1,722	1,493
IGM [1]	211	180	158	391	307
GBL	(5)	20	(15)	15	(12)
Effect of consolidation - Great West and IGM [2]	(20)	(12)	(9)	(32)	(14)
Publicly traded operating companies	1,057	1,039	924	2,096	1,774
Sagard and Power Sustainable	29	(18)	93	11	127
Corporate operations and Other [3, 4]	(112)	(116)	(134)	(228)	(231)
Adjusted net earnings [5, 6]	974	905	883	1,879	1,670
Adjustments [7]	(284)	(85)	(111)	(369)	(209)
Net earnings [5]	690	820	772	1,510	1,461

[1] Contribution based on earnings reported by Great West and IGM.

[2] Refer to the detailed table in the section "Results of Power Corporation".

[3] In the first quarter of 2026, the Corporation modified its presentation; the contribution to net earnings and adjusted net earnings from the Corporation's investment in LMPG, previously presented separately within Standalone businesses, is now presented within Corporate operations and Other. The comparatives have been reclassified to conform with the current presentation.

[4] Includes the contribution to adjusted net earnings from the Corporation's other investment activities, including the Corporation's investment in LMPG, as well as corporate operations, which includes operating expenses, financing charges, depreciation, income taxes, and dividends on non-participating and perpetual preferred shares. Refer to the section "Corporate operations and Other" below.

[5] Attributable to participating shareholders.

[6] Non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures".

[7] Refer to the detailed table of Adjustments in the section "Review of Segments and Operating Results".

RESULTS OF POWER CORPORATION

This section presents:

- The "Consolidated Statements of Earnings in accordance with IFRS"; and
- The contributions to Power Corporation of its operating subsidiaries (Great West and IGM) and GBL, which are held through Power Financial, the contribution of the Corporation's alternative asset investment platforms, as well as the contribution from the corporate operations and other to the net earnings and adjusted net earnings of Power Corporation. A discussion of the contributions of each of the reportable segments and other components follows in the section "Review of Segments and Operating Results".

Adjusted net earnings is a non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures" for a description and reconciliation of IFRS and non-IFRS financial measures.

BASIS OF PRESENTATION

IFRS Financial Measures and Presentation

The Interim Consolidated Financial Statements of the Corporation have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* (IAS 34), and are presented in Canadian dollars.

The financial statements of the Corporation include the consolidated results of Power Financial which include the results of Great West, IGM, Wealthsimple and the Portage Ventures Funds, which are controlled by Power Financial. Power Financial's investment in GBL is held through Parjointco. Parjointco is a holding company jointly controlled by Power Financial and the Frère Group, and is accounted for using the equity method.

The investment platforms manage and operate alternative asset investment funds in which third-party investors, the Corporation and associated companies can participate. The Corporation controls a fund when it is exposed, or has rights, to variable returns from its involvement with the fund and has the ability to affect those returns through its power to direct the relevant activities of the fund. Management of the Corporation determines whether the Corporation is a principal or an agent when the Corporation or its subsidiaries act as a fund manager and also invest in the fund. The Corporation determines that it is a principal when it has sufficient capital invested and exposure to variability of returns generated as a result of the decisions of the Corporation or its subsidiaries as a fund manager and considers the rights held by other investors, including their ability to remove the fund manager.

Presentation of the Holding Company

The Corporation's reportable segments include Great West, 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 segments' contributions 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 Great West, 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" present the segmented balance sheets and cash flow statements of the holding company, which are presented in Note 20 of the Interim Consolidated Financial Statements, and reconciliations of these statements are provided throughout this MD&A.

CONSOLIDATED STATEMENTS OF EARNINGS IN ACCORDANCE WITH IFRS

Power Corporation's consolidated statements of earnings for the three months and six months ended June 30, 2026 are presented below. The Corporation's reportable segments include Great West, IGM and GBL, as well as the holding company. These tables reflect the contributions to the net earnings attributable to Power Corporation's participating shareholders from its reportable segments and Sagard and Power Sustainable, the Corporation's alternative asset investment platforms, which include controlled and consolidated investment funds and investments, as well as the Corporation's other investments.

Consolidated Net Earnings – Three months ended

	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation [2]	Power Corporation Consolidated net earnings		
							June 30, 2026	March 31, 2026	June 30, 2025
Insurance service result									
Insurance revenue	5,822	–	–	–	–	–	5,822	5,699	5,551
Insurance service expenses	(4,510)	–	–	–	–	–	(4,510)	(4,299)	(4,315)
Net expenses from reinsurance contracts	(401)	–	–	–	–	–	(401)	(438)	(379)
Total insurance service result	911	–	–	–	–	–	911	962	857
Net investment result									
Net investment income (loss) [3]	5,168	18	–	29	444	(76)	5,583	707	3,544
Net investment result from insurance activities [4]	(4,775)	–	–	–	–	–	(4,775)	192	(2,850)
Total net investment result	393	18	–	29	444	(76)	808	899	694
Fee income and other revenues	2,116	1,052	–	–	608	(64)	3,712	3,454	3,255
Operating and administrative expenses	(2,086)	(790)	–	(72)	(1,262)	51	(4,159)	(3,449)	(3,496)
Financing charges	(87)	(34)	–	(14)	(74)	2	(207)	(204)	(215)
Earnings before investments in jointly controlled corporations and associates, and income taxes	1,247	246	–	(57)	(284)	(87)	1,065	1,662	1,095
Share of earnings (losses) of investments in jointly controlled corporations and associates	16	86	(5)	–	267	(40)	324	100	208
Earnings before income taxes	1,263	332	(5)	(57)	(17)	(127)	1,389	1,762	1,303
Income tax expense (recovery)	162	69	–	–	24	–	255	348	113
Net earnings	1,101	263	(5)	(57)	(41)	(127)	1,134	1,414	1,190
Attributable to									
Non-controlling interests	436	106	–	36	(26)	(127)	425	574	405
Non-participating shareholders	–	–	–	19	–	–	19	20	13
Participating shareholders of Power Corporation [2]	665	157	(5)	(112)	(15)	–	690	820	772
	1,101	263	(5)	(57)	(41)	(127)	1,134	1,414	1,190

[1] Alternative asset investment platforms and Other is comprised of the Corporation's alternative asset investment platforms, which include consolidated investment funds, as well as the investment activities held through Power Financial including Portage Ventures I, Portage Ventures II and Wealthsimple, and the Corporation's investment in LMPG.

[2] The results presented for Great West and IGM are as reported by each. The Effect of consolidation includes the elimination of intercompany transactions and the application of the Corporation's accounting method for investments under common ownership. The contribution from Great West, IGM, GBL and Alternative asset investment platforms and Other to net earnings attributable to participating shareholders of the Corporation includes the Effect of consolidation, and represents the contribution to the holding company.

[3] Includes net investment income and changes in FVPL included in the net investment result on the consolidated statements of earnings.

[4] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

Consolidated Net Earnings – Six months ended

	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation [2]	Power Corporation Consolidated net earnings	
							June 30, 2026	June 30, 2025
Insurance service result								
Insurance revenue	11,521	–	–	–	–	–	11,521	11,037
Insurance service expenses	(8,809)	–	–	–	–	–	(8,809)	(8,591)
Net expenses from reinsurance contracts	(839)	–	–	–	–	–	(839)	(809)
Total insurance service result	1,873	–	–	–	–	–	1,873	1,637
Net investment result								
Net investment income (loss) [3]	5,598	28	–	52	694	(82)	6,290	7,419
Net investment result from insurance activities [4]	(4,583)	–	–	–	–	–	(4,583)	(6,023)
Total net investment result	1,015	28	–	52	694	(82)	1,707	1,396
Fee income and other revenues	4,156	2,057	–	–	1,078	(125)	7,166	6,424
Operating and administrative expenses	(4,025)	(1,475)	–	(135)	(2,081)	108	(7,608)	(6,726)
Financing charges	(174)	(66)	–	(28)	(144)	1	(411)	(433)
Earnings before investments in jointly controlled corporations and associates, and income taxes	2,845	544	–	(111)	(453)	(98)	2,727	2,298
Share of earnings (losses) of investments in jointly controlled corporations and associates	23	155	15	–	308	(77)	424	323
Earnings before income taxes	2,868	699	15	(111)	(145)	(175)	3,151	2,621
Income tax expense (recovery)	433	151	–	–	14	5	603	309
Net earnings	2,435	548	15	(111)	(159)	(180)	2,548	2,312
Attributable to								
Non-controlling interests	968	219	–	72	(80)	(180)	999	825
Non-participating shareholders	–	–	–	39	–	–	39	26
Participating shareholders of Power Corporation [2]	1,467	329	15	(222)	(79)	–	1,510	1,461
	2,435	548	15	(111)	(159)	(180)	2,548	2,312

[1] Alternative asset investment platforms and Other is comprised of the Corporation's alternative asset investment platforms, which include consolidated investment funds, as well as the investment activities held through Power Financial including Portage Ventures I, Portage Ventures II and Wealthsimple, and the Corporation's investment in LMPG.

[2] The results presented for Great West and IGM are as reported by each. The Effect of consolidation includes the elimination of intercompany transactions and the application of the Corporation's accounting method for investments under common ownership. The contribution from Great West, IGM, GBL and Alternative asset investment platforms and Other to net earnings attributable to participating shareholders of the Corporation includes the Effect of consolidation, and represents the contribution to the holding company.

[3] Includes net investment income and changes in FVPL included in the net investment result on the consolidated statements of earnings.

[4] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

As a holding company, the Corporation evaluates the performance of each segment based on its contribution to net earnings and adjusted net earnings attributable to participating shareholders. A discussion of the results of Great West, IGM and GBL is provided in the section "Review of Segments and Operating Results" below.

CONTRIBUTION TO NET EARNINGS AND ADJUSTED NET EARNINGS

This section details the contribution to the net earnings and adjusted net earnings attributable to Power Corporation's participating shareholders from Great West, IGM, GBL and Sagard and Power Sustainable, the Corporation's alternative asset investment platforms, which include the contribution from controlled and consolidated investments, and the corporate operations and other.

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings [1, 2]					
Great West [3]	871	851	790	1,722	1,493
IGM [3]	211	180	158	391	307
GBL	(5)	20	(15)	15	(12)
Effect of consolidation - Great West and IGM [4]	(20)	(12)	(9)	(32)	(14)
	1,057	1,039	924	2,096	1,774
Sagard and Power Sustainable	29	(18)	93	11	127
Corporate operations and Other [5]	(112)	(116)	(134)	(228)	(231)
	974	905	883	1,879	1,670
Adjustments [6]					
Great West [3]	(159)	(32)	(175)	(191)	(291)
IGM [3]	(44)	–	(4)	(44)	(6)
GBL	–	–	–	–	22
Effect of consolidation - Great West and IGM	(37)	(13)	19	(50)	17
	(240)	(45)	(160)	(285)	(258)
Sagard and Power Sustainable	(16)	(40)	49	(56)	37
Corporate operations and Other	(28)	–	–	(28)	12
	(284)	(85)	(111)	(369)	(209)
Net earnings [2]					
Great West [3]	712	819	615	1,531	1,202
IGM [3]	167	180	154	347	301
GBL [3]	(5)	20	(15)	15	10
Effect of consolidation - Great West and IGM	(57)	(25)	10	(82)	3
	817	994	764	1,811	1,516
Sagard and Power Sustainable	13	(58)	142	(45)	164
Corporate operations and Other [5]	(140)	(116)	(134)	(256)	(219)
	690	820	772	1,510	1,461

[1] Adjusted net earnings is a non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures". For a reconciliation of Great West, IGM, Sagard and Power Sustainable, and Corporate operations and Other's non-IFRS adjusted net earnings to their net earnings and the contribution to adjusted net earnings from GBL, refer to the sections "Great West", "IGM Financial", "GBL", "Sagard and Power Sustainable", and "Corporate operations and Other" in the section "Review of Segments and Operating Results" below which detail the contribution to net earnings and adjusted net earnings of each.

[2] Attributable to participating shareholders.

[3] Contribution to net and adjusted net earnings based on earnings reported by Great West and IGM. Contribution to net earnings based on earnings reported by GBL.

[4] See the table below for details on Effect of consolidation.

[5] Includes the contribution to net earnings and adjusted net earnings from the Corporation's other investment activities, including the Corporation's investment in LMPG, as well as corporate operations, which includes operating expenses, financing charges, depreciation, income taxes, and dividends on non-participating and perpetual preferred shares. Refer to the section "Corporate operations and Other" below. Certain comparatives have been reclassified to conform with the current presentation.

[6] See the section "Adjustments" below, including details on Effect of consolidation.

Adjusted and Net Earnings Per Share

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Earnings per share – basic [1]					
Adjusted net earnings	1.55	1.43	1.38	2.98	2.60
Adjustments	(0.45)	(0.14)	(0.18)	(0.59)	(0.33)
Net earnings	1.10	1.29	1.20	2.39	2.27

[1] Attributable to participating shareholders.

EFFECT OF CONSOLIDATION

Effect of consolidation reflects:

- The elimination of intercompany transactions; and
- The application of the Corporation's accounting method for investments under common ownership to the reported net earnings of the publicly traded operating companies, which include:
  - i) An adjustment related to Great West's investment in PSEIP, PSM and SHMI; and
  - ii) An allocation of the results of the fintech portfolio, including Wealthsimple, the Portage Ventures Funds and Portage Capital Solutions, to the contributions from Great West and IGM based on their respective interest.

The following table summarizes the effect of consolidation on adjusted net earnings for Great West and IGM:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Great West	(9)	(5)	5	(14)	–
IGM [1]	(11)	(7)	(14)	(18)	(14)
	(20)	(12)	(9)	(32)	(14)

[1] The second quarter of 2026 includes a charge of $18 million related to IGM's share of the carried interest payable due to the increase in fair value of the investment held in Wealthsimple through a limited partnership managed by Sagard ($14 million in the second quarter of 2025).

Q2 2026 vs. Q2 2025 and Q1 2026	Year-to-date 2026 vs. 2025
Net earnings	
$690 million or $1.10 per share, compared with $772 million or $1.20 per share in the corresponding period in 2025, a decrease of 8.3% on a per share basis, and $820 million or $1.29 per share in the first quarter of 2026.	$1,510 million or $2.39 per share, compared with $1,461 million or $2.27 per share in the corresponding period in 2025, an increase of 5.3% on a per share basis.
Adjusted net earnings	
$974 million or $1.55 per share, compared with $883 million or $1.38 per share in the corresponding period in 2025, an increase of 12.3% on a per share basis, and $905 million or $1.43 per share in the first quarter of 2026.	$1,879 million or $2.98 per share, compared with $1,670 million or $2.60 per share in the corresponding period in 2025, an increase of 14.6% on a per share basis.
Contribution to net earnings and adjusted net earnings from Great West, IGM and GBL	
Contribution to net earnings of $817 million, compared with $764 million in the corresponding period in 2025, an increase of 6.9%, and $994 million in the first quarter of 2026.	Contribution to net earnings of $1,811 million, compared with $1,516 million in the corresponding period in 2025, an increase of 19.5%.
Contribution to adjusted net earnings of $1,057 million, compared with $924 million in the corresponding period in 2025, an increase of 14.4%, and $1,039 million in the first quarter of 2026.	Contribution to adjusted net earnings of $2,096 million, compared with $1,774 million in the corresponding period in 2025, an increase of 18.2%.

Main Drivers of Earnings

NET EARNINGS AND ADJUSTED NET EARNINGS

The Corporation's net earnings for the three-month period ended June 30, 2026 decreased by $82 million or 10.6% and adjusted net earnings increased by $91 million or 10.3% from the corresponding quarter in 2025:

- **Great West:** contribution to net earnings and adjusted net earnings increased by $97 million or 15.8% and by $81 million or 10.3%, respectively.
- **IGM:** contribution to net earnings and adjusted net earnings increased by $13 million or 8.4% and by $53 million or 33.5%, respectively.
- **GBL:** contribution to net earnings and adjusted net earnings of negative $5 million, compared with a contribution to net earnings and adjusted net earnings of negative $15 million in the corresponding quarter in 2025.
- **Sagard and Power Sustainable:** net earnings (asset management and investing activities) include a positive contribution of $10 million from Sagard and a positive contribution of $3 million from Power Sustainable in the second quarter of 2026, compared with a positive contribution of $106 million from Sagard and a positive contribution of $36 million from Power Sustainable in the corresponding quarter in 2025. The contribution to Sagard's net earnings and adjusted net earnings in the second quarter of 2025 included a positive contribution of $98 million from investing activities, mainly related to fair value changes in the private equity portfolio. Adjusted net earnings (asset management and investing activities) include a positive contribution of $33 million from Sagard and a negative contribution of $4 million from Power Sustainable, compared with a positive contribution of $106 million from Sagard and a negative contribution of $13 million from Power Sustainable in the corresponding quarter in 2025.

The Corporation's net earnings for the six-month period ended June 30, 2026 increased by $49 million or 3.4% and adjusted net earnings increased by $209 million or 12.5% from the corresponding period in 2025:

- **Great West:** contribution to net earnings and adjusted net earnings increased by $329 million or 27.4% and by $229 million or 15.3%, respectively.
- **IGM:** contribution to net earnings and adjusted net earnings increased by $46 million or 15.3% and by $84 million or 27.4%, respectively.
- **GBL:** contribution to net earnings and adjusted net earnings of $15 million, compared with a contribution to net earnings of $10 million and to adjusted net earnings of negative $12 million in the corresponding period in 2025.
- **Sagard and Power Sustainable:** net earnings (asset management and investing activities) include a positive contribution of $5 million from Sagard and a negative contribution of $50 million from Power Sustainable in the six-month period ended June 30, 2026, compared with a positive contribution of $143 million from Sagard and a positive contribution of $21 million from Power Sustainable in the corresponding period in 2025. Adjusted net earnings (asset management and investing activities) include a positive contribution of $28 million from Sagard and a negative contribution of $17 million from Power Sustainable, compared with a positive contribution of $143 million from Sagard and a negative contribution of $16 million from Power Sustainable in the corresponding period in 2025.

A discussion of the results of Great West, IGM, GBL and Sagard and Power Sustainable is provided in the sections "Great West", "IGM Financial", "GBL" and "Sagard and Power Sustainable" in the section "Review of Segments and Operating Results" below.

For additional discussion of the results of Great West and IGM, refer to Parts B and C, respectively, of this MD&A.

REVIEW OF SEGMENTS AND OPERATING RESULTS

PUBLICLY TRADED OPERATING COMPANIES

Great West

OVERVIEW OF THE BUSINESS

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. Great West operates primarily in the U.S., Canada and Europe under the brands Empower, Canada Life and Irish Life. For reporting purposes, Great West has four major reportable segments: the United States, Canada, Europe, and Capital and Risk Solutions. Great West focuses on four key lines of business that extend across its reportable operating segments: Retirement (serves the retirement needs of customers, primarily through employer plan sponsor-enabled relationships); Wealth (advice-enabled wealth management solutions for retail customers including retail savings and wealth products); Group Benefits (health and wellness benefits that are delivered at scale primarily through employer plan sponsor-enabled relationships including Group Life & Health); and Insurance & Risk Solutions (including life insurance, disability, and critical illness coverage for individuals, and payout annuities for individuals and pension plans as well as reinsurance).

The United States segment is operated by Empower, a leading provider of employer-sponsored retirement savings plans in the public/non-profit and corporate sectors. Empower consists of: Empower Workplace Solutions, which aligns with the Retirement line of business, offering saving, investing and advisory services through employer-sponsored plans; and Empower Personal Wealth, which aligns with the Wealth line of business, offering individual product solutions and providing retail wealth management products and services to individuals, including individual retirement accounts and after-tax investment accounts. The United States segment also includes an allocation of a portion of Great West's Corporate results.

The Canada segment is operated by Canada Life, offering a broad portfolio of financial and benefit plan solutions for individuals, families, businesses and organizations through four primary lines of business: Retirement, Wealth, Group Benefits and Insurance & Annuities and includes an allocation of a portion of Great West's Corporate results. Through the Retirement line of business, Great West provides retirement savings, income and annuity products and other speciality products to group clients in Canada. Through the Wealth line of business, Canada Life provides wealth savings and income products and services to individual customers. Through the Group Benefits line of business, Canada Life provides life, accidental death and dismemberment, critical illness, disability, health and dental protection and creditor insurance to group clients in Canada. The Insurance & Annuities line of business offers individual life, disability and critical illness insurance products and services, as well as individual life annuities to individual customers.

The Europe segment comprises four distinct lines of business: Retirement, Wealth, Group Benefits and Insurance & Annuities. The Europe segment operates under the Canada Life brand in the U.K. and Germany and under the Irish Life brand in Ireland along with other acquired brands within the intermediary and wealth markets in Ireland and includes an allocation of a portion of Great West's Corporate results. The Retirement line of business includes group pensions business in Ireland, and the Group Benefits line of business consists of group life and health insurance business in the U.K. and Ireland. The Wealth line of business consists of investment products offered in the U.K., pension, savings and investment products offered in Ireland and pension products offered in Germany. The Insurance & Annuities line of business consists of bulk and individual payout annuities offered in the U.K. and Ireland, equity-release mortgages offered in the U.K., and individual protection insurance offered in Ireland and Germany.

The Capital and Risk Solutions segment includes Great West's reinsurance business under the Insurance & Risk Solutions line of business, which operates primarily in the U.S., Barbados, Bermuda and Ireland, and includes an allocation of a portion of Great West's Corporate results. Reinsurance products are provided through Canada Life and its subsidiaries and include both reinsurance and retrocession business transacted directly with clients or through reinsurance brokers.

The Corporate segment includes operating results for activities of Great West that are not associated with the major business units, including certain overhead expenses, earnings on surplus, financing charges and related taxes not directly associated with the operations of the major business units, the results of PanAgora, dividend income from shareholdings in 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 Insurance Company, as well as a closed life retrocession block and guaranteed lifetime withdrawal benefit (GLWB) products.

See Part B of this MD&A for additional information on Great West.

2026 DEVELOPMENTS

Great West Normal Course Issuer Bid: Great West renewed its NCIB commencing January 6, 2026 and terminating January 5, 2027, to purchase for cancellation up to, but not more than 20 million of its common shares at market prices. The current NCIB continues to permit Great West to purchase its shares from Power Financial, a subsidiary of the Corporation, and certain of Power Financial's wholly owned subsidiaries in connection with the NCIB, in order for Power Financial to maintain its approximate proportionate percentage ownership in Great West. In the six-month period ended June 30, 2026, Great West repurchased and subsequently cancelled approximately 13.4 million common shares under its NCIB at an average cost per share of $69.06.

On July 28, 2026, subsequent to quarter-end, Great West announced an amendment to its current NCIB to increase the maximum number of common shares that may be repurchased from 20 million common shares to 40 million common shares. The amendment is expected to become effective on July 31, 2026. The amended NCIB continues to permit Great West to purchase its shares from Power Financial in order for Power Financial to maintain its approximate proportionate percentage ownership in Great West. For additional information, refer to the section "Consolidated Financial Position – Great West Capital Structure" in Part B of this MD&A.

Empower: During the first quarter of 2026, Empower announced a strategic partnership with Blackstone Inc., one of the world's largest alternative asset managers, to expand access to private markets within defined contribution plans. The program enables plan participants to gain exposure to private equity, private credit, private infrastructure, and private real estate through collective investment trust (CIT) structures, with a focus on enhancing diversification and long-term return potential.

Santé Circle Health: 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.

Retirement Plan and Benefits Administration Business of Milliman, Inc. (Milliman): On June 30, 2026, Empower entered into an agreement to acquire the retirement plan and benefits administration business of 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 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.

RESULTS

Contribution to Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Average direct ownership (%)	68.6	68.7	68.7	68.6	68.5
Contribution to earnings					
Net earnings	665	802	627	1,467	1,207
Adjusted net earnings	862	846	795	1,708	1,493
Dividend received				826	775

As at	June 30, 2026	December 31, 2025
Contribution to holding company balance sheets		
Investment in Great West, carrying value	18,003	17,237
% of total holding company assets	59.5	58.4
Investment in Great West, fair value	55,436	42,147
% of total holding company assets, at fair value	71.6	69.2

Reconciliation of contribution to net earnings and adjusted net earnings of Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Contribution to Power Corporation's:					
Adjusted net earnings					
As reported by Great West	871	851	790	1,722	1,493
Effect of consolidation [1]	(9)	(5)	5	(14)	–
	862	846	795	1,708	1,493
Adjustments					
As reported by Great West	(159)	(32)	(175)	(191)	(291)
Effect of consolidation [2]	(38)	(12)	7	(50)	5
	(197)	(44)	(168)	(241)	(286)
Net earnings	665	802	627	1,467	1,207

[1] The Effect of consolidation includes the elimination of intercompany transactions and the application of the Corporation's accounting method for investments under common ownership including an adjustment for Great West's investment in PSEIP, PSM and SHMI and an allocation of the results of the fintech portfolio.

[2] Refer to the section "Adjustments" for details of Effect of consolidation.

Adjusted and net earnings per share as reported by Great West

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings [1, 2]	1.42	1.37	1.24	2.79	2.35
Adjustments [3]	(0.26)	(0.05)	(0.28)	(0.31)	(0.46)
Net earnings [1]	1.16	1.32	0.96	2.48	1.89

[1] Attributable to Great West common shareholders.

[2] Defined as "base earnings per common share" by Great West, a non-IFRS ratio; refer to the section "Non-GAAP Financial Measures and Ratios" in Part B of this MD&A.

[3] See the section "Adjustments" below.

Contribution to adjusted and net earnings by segments as reported by Great West

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings [1, 2]					
United States	458	430	341	888	706
Canada	341	352	375	693	691
Europe	266	273	262	539	501
Capital and Risk Solutions	310	300	229	610	442
Corporate	(105)	(116)	(58)	(221)	(161)
	1,270	1,239	1,149	2,509	2,179
Adjustments [3]					
Market experience relative to expectations [4]	(168)	16	(104)	(152)	(195)
Assumption changes and management actions [4]	(23)	3	(3)	(20)	(35)
Business transformation and other impacts [4]	(6)	(32)	(121)	(38)	(131)
Amortization of acquisition-related finite life intangible assets	(34)	(34)	(38)	(68)	(75)
Tax legislative changes and other tax impacts	–	–	11	–	11
	(231)	(47)	(255)	(278)	(425)
Net earnings [1]					
United States	404	352	305	756	643
Canada	310	356	255	666	556
Europe	163	255	126	418	293
Capital and Risk Solutions	305	353	194	658	378
Corporate	(143)	(124)	14	(267)	(116)
	1,039	1,192	894	2,231	1,754

[1] Attributable to Great West common shareholders.

[2] Defined as "base earnings (loss)" by Great West, a non-IFRS financial measure; refer to Part B of this MD&A for additional details including a definition and reconciliation by segment.

[3] See the section "Adjustments" below. Described as "items excluded from base earnings" by Great West; refer to Part B of this MD&A.

[4] Refer to Part B of this MD&A for more details, including a definition of these Adjustments.

	Q2 2026 vs. Q2 2025 and Q1 2026	Year-to-date 2026 vs. 2025
Net earnings	$1,039 million or $1.16 per share, compared with $894 million or $0.96 per share in the corresponding period in 2025, an increase of 20.8% on a per share basis, and $1,192 million or $1.32 per share in the first quarter of 2026.	$2,231 million or $2.48 per share, compared with $1,754 million or $1.89 per share in the corresponding period in 2025, an increase of 31.2% on a per share basis.
Adjusted net earnings	$1,270 million or $1.42 per share, compared with $1,149 million or $1.24 per share in the corresponding period in 2025, an increase of 14.5% on a per share basis, and $1,239 million or $1.37 per share in the first quarter of 2026.	$2,509 million or $2.79 per share, compared with $2,179 million or $2.35 per share in the corresponding period in 2025, an increase of 18.7% on a per share basis.

UNITED STATES

Net earnings in the three-month period ended June 30, 2026 increased by US$71 million (C$99 million) to US$293 million (C$404 million), compared with the corresponding quarter in 2025. Adjusted net earnings were US$332 million (C$458 million) in the three-month period ended June 30, 2026, an increase of US$85 million (C$117 million), compared with the corresponding quarter in 2025, primarily due to:

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

Adjusted net earnings in the three-month period ended June 30, 2026 excluded Adjustments of negative US$39 million (C$54 million), compared with negative US$25 million (C$36 million) in the corresponding quarter in 2025. The increase in negative Adjustments was primarily due to unfavourable market experience relative to expectations within real estate and other non-fixed income asset impacts, and higher restructuring expenses related to creating operational efficiencies.

Net earnings in the six-month period ended June 30, 2026 increased by US$91 million (C$113 million) to US$550 million (C$756 million), compared with the corresponding period in 2025. Adjusted net earnings were US$646 million (C$888 million) in the six-month period ended June 30, 2026, an increase of US$144 million (C$182 million), compared with the corresponding period in 2025, primarily due to the same reasons explained in the three-month period above.

Adjusted net earnings in the six-month period ended June 30, 2026 excluded Adjustments of negative US$96 million (C$132 million), compared with negative US$43 million (C$63 million) in the corresponding period in 2025. The increase in negative Adjustments was primarily due to similar factors explained in the three-month period above.

CANADA

Net earnings in the three-month period ended June 30, 2026 increased by $55 million to $310 million, compared with the corresponding quarter in 2025. Adjusted net earnings in the three-month period ended June 30, 2026 were $341 million, a decrease of $34 million compared with the corresponding quarter in 2025, primarily due to:

- Less favourable Group Benefits experience, primarily long-term disability; and
- Unfavourable morbidity experience in the Insurance & Annuities business;
- Partially offset by an increase from higher client assets primarily driven by market growth in both the Retirement and Wealth businesses.

Adjusted net earnings in the three-month period ended June 30, 2026 excluded Adjustments of negative $31 million, compared with Adjustments of negative $120 million in the corresponding quarter in 2025, including market experience relative to expectations of negative $24 million, compared with positive $25 million in the corresponding quarter in 2025. The decrease in negative Adjustments was primarily due to the non-recurrence of a restructuring provision recorded in the prior year, partially offset by unfavourable interest rate movements and lower credit spread impacts.

Net earnings in the six-month period ended June 30, 2026 increased by $110 million to $666 million, compared with the corresponding period in 2025. Adjusted net earnings in the six-month period ended June 30, 2026 were $693 million, an increase of $2 million compared with the corresponding period in 2025, primarily due to:

- An increase from higher client assets primarily driven by market growth in both the Retirement and Wealth businesses; and
- Improved mortality experience and improved investment results, partially offset by unfavourable morbidity results and lower contractual service margin (CSM) recognized for services provided in the Insurance & Annuities business;
- Partially offset by less favourable Group Benefits experience, primarily long-term disability.

Adjusted net earnings in the six-month period ended June 30, 2026 excluded Adjustments of negative $27 million, compared with Adjustments of negative $135 million in the corresponding period in 2025, including market experience relative to expectations of negative $13 million, compared with positive $15 million in the corresponding period in 2025. The decrease in negative Adjustments was primarily due to similar reasons explained in the three-month period above, as well as favourable public equity market impacts.

EUROPE

Net earnings in the three-month period ended June 30, 2026 increased by $37 million to $163 million, compared with the corresponding quarter in 2025. Adjusted net earnings in the three-month period ended June 30, 2026 were $266 million, an increase of $4 million compared with the corresponding quarter in 2025, primarily due to:

- Favourable protection and pooling experience in the U.K. and health experience in Ireland in the Group Benefits business, partially offset by less favourable mortality experience in Ireland.

Partially offset by:

- A net decrease due to a tax release in the prior year and timing differences in the U.K. Wealth transition, partially offset by favourable net fee and spread income from strong net asset flows and market growth in both the Retirement and Wealth businesses; and
- Lower trading gains and lower expected investment earnings, partially offset by business growth in the Insurance & Annuities business.

Adjusted net earnings in the three-month period ended June 30, 2026 excluded Adjustments of negative $103 million, compared with Adjustments of negative $136 million in the corresponding quarter in 2025. The decrease in negative Adjustments was primarily due to improved market experience relative to expectations compared with the prior year.

Net earnings in the six-month period ended June 30, 2026 increased by $125 million to $418 million, compared with the corresponding period in 2025. Adjusted net earnings in the six-month period ended June 30, 2026 were $539 million, an increase of $38 million compared with the corresponding period in 2025, primarily due to:

- Favourable net fee and spread income from strong net asset flows and market growth in both the Retirement and Wealth businesses;
- Favourable protection and pooling experience in the U.K. and health experience in Ireland in the Group Benefits business, partially offset by less favourable mortality experience in Ireland; and
- An increase due to business growth, partially offset by lower trading gains and lower expected investment earnings in the Insurance & Annuities business.

Adjusted net earnings in the six-month period ended June 30, 2026 excluded Adjustments of negative $121 million, compared with Adjustments of negative $208 million in the corresponding period in 2025. The decrease in negative Adjustments was primarily due to improved market experience.

CAPITAL AND RISK SOLUTIONS

Net earnings in the three-month period ended June 30, 2026 increased by $111 million to $305 million, compared with the corresponding quarter in 2025. Adjusted net earnings in the three-month period ended June 30, 2026 were $310 million, an increase of $81 million compared with the corresponding quarter in 2025, due to Capital Solutions new business growth.

Adjusted net earnings in the three-month period ended June 30, 2026 excluded Adjustments of negative $5 million, compared with Adjustments of negative $35 million in the corresponding quarter in 2025, primarily due to improved market experience relative to expectations from changes to interest rates compared with the prior year.

Net earnings in the six-month period ended June 30, 2026 increased by $280 million to $658 million, compared with the corresponding period in 2025. Adjusted net earnings in the six-month period ended June 30, 2026 were $610 million, an increase of $168 million compared with the corresponding period in 2025, primarily due to Capital Solutions new business growth and favourable Risk Solutions experience.

Adjusted net earnings in the six-month period ended June 30, 2026 excluded Adjustments of positive $48 million, compared with Adjustments of negative $64 million in the corresponding period in 2025, primarily due to the 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 with the corresponding period in 2025. For additional information, refer to the section "Assumption Changes and Management Actions" in Part B of this MD&A.

ADJUSTMENTS

Adjustments are items excluded from net earnings in the determination of adjusted net earnings by Great West's management. Refer to the further discussion above in each of Great West's operating segments.

In the first and second quarters of 2026, Adjustments with a net negative earnings impact of $278 million after tax consisted of:

- In the second quarter of 2026, Adjustments were a net negative impact of $231 million, which consisted of market experience relative to expectations of negative $168 million after tax (negative $222 million pre-tax), amortization of acquisition-related finite life intangibles of negative $34 million after tax (negative $47 million pre-tax), assumption changes and management actions of negative $23 million after tax (negative $25 million pre-tax), and business transformation and other impacts of negative $6 million after tax (negative $9 million pre-tax).
- In the first quarter of 2026, Adjustments were a net negative impact of $47 million, which consisted of market experience relative to expectations of positive $16 million after tax (positive $30 million pre-tax), and assumption changes and management actions of positive $3 million after tax (positive $1 million pre-tax), offset by amortization of acquisition-related finite life intangibles of negative $34 million after tax (negative $45 million pre-tax), business transformation and other impacts of negative $32 million after tax (negative $42 million pre-tax), and tax legislative changes and other tax impacts of nil after tax (positive $5 million pre-tax).

In the first and second quarters of 2025, Adjustments with a net negative earnings impact of $425 million after tax consisted of:

- In the second quarter of 2025, Adjustments were a net negative impact of $255 million, which consisted of business transformation and other impacts [1] of negative $121 million after tax (negative $181 million pre-tax), market experience relative to expectations of negative $104 million after tax (negative $116 million pre-tax), amortization of acquisition-related finite life intangibles of negative $38 million after tax (negative $51 million pre-tax), and assumption changes and management actions of negative $3 million after tax (negative $5 million pre-tax), partially offset by a positive impact from tax legislative changes and other tax impacts of $11 million.
- In the first quarter of 2025, Adjustments were a net negative impact of $170 million, which consisted of market experience relative to expectations of negative $91 million after tax (negative $113 million pre-tax), amortization of acquisition-related finite life intangibles of negative $37 million after tax (negative $51 million pre-tax), assumption changes and management actions of negative $32 million after tax (negative $42 million pre-tax), and business transformation and other impacts of negative $10 million after tax (negative $13 million pre-tax).

The information above has been derived from Great West's interim and most recent annual MD&A; see Part B of this MD&A for additional information on Great West's interim results. Great West's interim and most recent annual MD&A are available under its profile on SEDAR+ (www.sedarplus.ca).

[1] Includes the provision releases related to unclaimed deposits from current and former shareholders related to the 2003 acquisition of Canada Life Financial Corporation, recorded in the Corporate segment in the second quarter of 2025.

IGM Financial

OVERVIEW OF THE BUSINESS

IGM is a leading wealth and asset management company supporting advisors and the clients they serve in Canada, and institutional investors globally. IGM's core business is comprised of wealth manager IG Wealth Management and asset manager Mackenzie Investments. IGM also holds a number of strategic investments that provide benefits to the operating subsidiaries while furthering IGM's growth prospects. IGM has three reportable segments: Wealth Management, Asset Management, and Corporate and Other.

The Wealth Management segment reflects the activities of its core business and strategic investments that are principally focused on providing financial planning and related services to retail client households. This segment includes the activities of IG Wealth Management, a retail distribution organization that serves Canadian households through its investment dealer and other subsidiaries licensed to distribute financial products and services. IG Wealth Management provides clients with personalized advice, comprehensive financial planning, insurance and mortgage services and professionally managed investment solutions. IG Wealth Management distinguishes itself from its competition by offering comprehensive planning to its clients that synchronizes their financial lives. This segment also includes the investment management activities of these organizations, including mutual fund management and discretionary portfolio management services, as well as IGM's strategic investments in Rockefeller (classified as an investment in an associate) and Wealthsimple (classified by IGM as an investment at FVOCI).

The Asset Management segment reflects the activities of its core business and strategic investments primarily focused on providing investment management services. This segment includes the operations of Mackenzie Investments which provides investment management services to a suite of investment funds that are distributed through third-party dealers and financial advisors, and through institutional advisory mandates to financial institutions, pensions and other institutional investors. Mackenzie Investments is a diversified asset management solutions provider and provides investment management and related services with a wide range of investment mandates through a boutique structure and multiple distribution channels. Mackenzie seeks to be Canada's preferred global asset management solutions provider and business partner. This segment also includes IGM's strategic investments in ChinaAMC and Northleaf, which are classified as investments in associates.

The Corporate and Other segment primarily represents the investments made by IGM in Great West and the Portage Ventures Funds (refer to the section "Sagard and Power Sustainable"), IGM's unallocated capital, as well as consolidation elimination entries.

See Part C of this MD&A for additional information on IGM.

2026 DEVELOPMENTS

IGM Normal Course Issuer Bid: IGM commenced an NCIB on December 23, 2025 to purchase for cancellation up to 11.8 million of its common shares. The program will be used to mitigate the dilutive effect of stock options issued under its stock option plan and for other capital management purposes. In the six-month period ended June 30, 2026, IGM repurchased and subsequently cancelled approximately 5.5 million common shares under its NCIB at a cost of $386 million.

Multi-year Initiative to Further Simplify IGM's Organization: In the second quarter of 2026, IGM recognized restructuring and other charges of $70 million after tax ($95 million pre-tax), related to actions taken to simplify IGM's organizational structure and operating model, and to improve efficiency. These actions are intended to create capacity for IGM to further invest in artificial intelligence (AI) capabilities. The initiatives include organizational structure changes, consolidation of certain team structures and streamlined workflows. The charge is primarily severance and also includes other costs associated with these activities.

SUBSEQUENT EVENT

Northleaf: Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, IGM completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 4.9%, net of non-controlling interests (which includes the interest of Great West), to 60.9%, for cash consideration of $43 million. As a result of the transactions, IGM will consolidate Northleaf effective July 1, 2026 and recognize a non-cash accounting gain in the third quarter of approximately $187 million, or $149 million net of non-controlling interests.

Northleaf is a global private equity, private credit and infrastructure investment firm with more than $37 billion in assets under management, reflecting commitments raised to date from more than 375 institutional and family office investors and a growing number of wealth, asset management and insurance partners. Northleaf sources, evaluates and manages private markets investments, with a focus on mid-market companies and assets. Northleaf's 320-person team is located across offices in Canada, the U.S., the U.K., Australia, South Korea and Japan.

RESULTS

Contribution to Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Average direct ownership (%)	63.9	63.4	62.7	63.6	62.6
Contribution to earnings					
Net earnings	157	172	152	329	299
Adjusted net earnings	200	173	144	373	293
Dividend received				175	166

As at	June 30, 2026	December 31, 2025
Contribution to holding company balance sheets		
Investment in IGM, carrying value	4,441	4,337
% of total holding company assets	14.7	14.7
Investment in IGM, fair value	11,713	9,144
% of total holding company assets, at fair value	15.1	15.0

Reconciliation of contribution to net earnings and adjusted net earnings of Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Contribution to Power Corporation's:					
Adjusted net earnings					
As reported by IGM [1]	211	180	158	391	307
Effect of consolidation [2]	(11)	(7)	(14)	(18)	(14)
	200	173	144	373	293
Adjustments					
As reported by IGM	(44)	–	(4)	(44)	(6)
Effect of consolidation [3]	1	(1)	12	–	12
	(43)	(1)	8	(44)	6
Net earnings	157	172	152	329	299

[1] Based on adjusted net earnings available to IGM common shareholders.

[2] The Effect of consolidation includes the elimination of intercompany transactions and the application of the Corporation's accounting method for investments under common ownership including an allocation of the results of the fintech portfolio.

[3] Refer to the section "Adjustments" for details of Effect of consolidation.

Adjusted and net earnings per share as reported by IGM

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings [1, 2]	1.41	1.21	1.07	2.62	2.06
Adjustments [3, 4]	(0.29)	(0.01)	(0.03)	(0.30)	(0.04)
Net earnings [1, 5]	1.12	1.20	1.04	2.32	2.02

[1] Available to IGM common shareholders.

[2] Adjusted net earnings per share is a non-IFRS ratio; refer to the section "Non-IFRS Financial Measures and Other Financial Measures" in Part C of this MD&A.

[3] See the section "Adjustments" below.

[4] Described as "Other items" by IGM; refer to Part C of this MD&A.

[5] Diluted earnings per share.

Contribution to adjusted net earnings by segments and net earnings as reported by IGM

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Wealth Management [1]	174	156	131	330	255
Asset Management [1]	121	94	92	215	179
Corporate and Other [1]	35	34	30	69	57
Adjusted net earnings [2, 3]	330	284	253	614	491
Adjustments [3, 4]	(69)	–	(6)	(69)	(10)
Net earnings [2]	261	284	247	545	481

[1] Debt and interest expense is allocated to each segment based on IGM's assessment of: i) capacity to service the debt, and ii) where the debt is being serviced.

[2] Available to IGM common shareholders.

[3] Adjusted net earnings is a non-IFRS financial measure; refer to Part C of this MD&A for additional details including a definition and reconciliation. IGM does not allocate Adjustments to segments.

[4] Described as "Other items" by IGM; refer to Part C of this MD&A.

Q2 2026 vs. Q2 2025 and Q1 2026	Year-to-date 2026 vs 2025
Net earnings	
$261 million or $1.12 per share, compared with $247 million or $1.04 per share in the corresponding period in 2025, an increase of 7.7% on a per share basis, and $284 million or $1.20 per share in the first quarter of 2026.	$545 million or $2.32 per share, compared with $481 million or $2.02 per share in the corresponding period in 2025, an increase of 14.9% on a per share basis.
Adjusted net earnings	
$330 million or $1.41 per share, compared with $253 million or $1.07 per share in the corresponding period in 2025, an increase of 31.8% on a per share basis, and $284 million or $1.21 per share in the first quarter of 2026.	$614 million or $2.62 per share, compared with $491 million or $2.06 per share in the corresponding period in 2025, an increase of 27.2% on a per share basis.

Adjusted net earnings exclude Adjustments of a negative earnings impact of $69 million in the six-month period ended June 30, 2026, compared with Adjustments of a negative earnings impact of $10 million in the corresponding period in 2025. These Adjustments are not allocated to segments. The following is a summary of each segment's net earnings and adjusted net earnings:

WEALTH MANAGEMENT

Adjusted net earnings increased by $43 million to $174 million in the three-month period ended June 30, 2026, compared with the corresponding quarter in 2025. Adjusted net earnings of Wealth Management include a contribution from strategic investments of approximately nil, compared with a negative contribution of $1 million in the corresponding quarter in 2025. The contribution to adjusted net earnings from IG Wealth Management increased by $43 million to $175 million, primarily due to:

- An increase in income from advisory fees of $56 million to $402 million, primarily due to the increase in average assets under advisement (AUA) excluding non-fee-bearing assets [1] of 19.1%, partially offset by a decrease in the advisory fee rate. The average advisory fee rate for the three-month period was 96.0 basis points of average AUA excluding non-fee-bearing assets, compared with 98.4 basis points in the corresponding quarter in 2025. Average fee rates will fluctuate based on product mix and client AUA levels;
- An increase in income from product and program fees of $50 million to $314 million, primarily due to the increase in average assets under management (AUM) [1] of 18.7%. The average product and program fee rate for the three-month period was 85.2 basis points of AUM, compared with 85.0 basis points in the corresponding quarter in 2025; and
- An increase in other financial planning revenues of $18 million to $61 million, primarily due to higher earnings from mortgage banking operations and higher revenues from the distribution of insurance products.

Partially offset by:

- An increase in advisory and business development expenses of $50 million to $334 million in the three-month period which includes compensation paid to advisors, the majority of which varies directly with asset or sales levels. Asset-based compensation increased by $35 million to $217 million, primarily due to increases in AUA. Sales-based compensation is based upon the level of net new assets contributed to client accounts and payments are capitalized and amortized as they reflect incremental costs to obtain a client contract. Sales-based compensation increased by $3 million to $32 million. Other advisory and business development expenses increased by $12 million to $85 million in the three-month period, primarily from higher volume from the distribution of insurance products;
- An increase in sub-advisory expenses of $10 million to $61 million, primarily due to changes in AUM;
- An increase in operations and support expenses of $5 million to $121 million. Operations and support expenses include costs that support wealth management and other general and administrative functions such as product management, technology and operations, as well as other functional business units and corporate expenses; and
- An increase in income taxes of $16 million to $63 million.

Adjusted net earnings increased by $75 million to $330 million in the six-month period ended June 30, 2026, compared with the corresponding period in 2025. Adjusted net earnings of Wealth Management include a negative contribution from strategic investments of $3 million, compared with a negative contribution of $5 million in the corresponding period in 2025. The contribution to adjusted net earnings from IG Wealth Management increased by $73 million to $333 million, primarily due to:

- An increase in income from advisory fees of $99 million to $788 million, primarily due to the increase in average AUA excluding non-fee-bearing assets of 16.3%. The average advisory fee rate for the six-month period was 96.3 basis points of average AUA excluding non-fee-bearing assets, compared with 97.9 basis points in the corresponding period in 2025;
- An increase in income from product and program fees of $84 million to $612 million, primarily due to the increase in average AUM of 15.8%. The average product and program fee rate for the six-month period was 85.2 basis points of AUM, compared with 85.1 basis points in the corresponding period in 2025;
- An increase in other financial planning revenues of $33 million to $113 million, primarily due to the same reason explained in the three-month period above; and
- An increase in net investment income of $2 million to $6 million. Net investment income and other consists of unrealized gains or losses on investments in proprietary funds, investment income earned on cash and cash equivalents and securities, and other income not related to IG Wealth Management's core business. It also includes a charge from the Corporate and Other segment for the use of unallocated capital.

Partially offset by:

- An increase in advisory and business development expenses of $87 million to $645 million in the six-month period. Asset-based compensation increased by $59 million to $426 million, primarily due to the same reason explained in the three-month period above. Sales-based compensation increased by $6 million to $62 million. Other advisory and business development expenses increased by $21 million to $157 million in the six-month period, primarily from higher volume from the distribution of insurance products;
- An increase in sub-advisory expenses of $16 million to $120 million, primarily due to changes in AUM;
- An increase in operations and support expenses of $13 million to $247 million; and
- An increase in income taxes of $26 million to $120 million.

[1] Refer to the section "Other Measures".

ASSET MANAGEMENT

The Asset Management segment includes the fees received from IGM's investment funds, Wealth Management segment and third parties for investment management services.

Adjusted net earnings increased by $29 million to $121 million in the three-month period ended June 30, 2026, compared with the corresponding quarter in 2025. Adjusted net earnings of Asset Management includes a positive contribution of $45 million from strategic investments, an increase of $11 million compared with the corresponding quarter in 2025. The adjusted net earnings of Mackenzie increased by $18 million to $76 million, primarily due to:

- An increase in net asset management fees, which is asset management fees offset by dealer compensation expenses, of $24 million to $223 million. Net asset management fees – third party were $186 million, an increase of $19 million compared with the corresponding quarter in 2025, primarily due to an increase in the average AUM of 20.9%, partially offset by a decrease in the net asset management fee rate. Mackenzie's net asset management fee rate was 46.5 basis points for the three months ended June 30, 2026, compared with 50.6 basis points in the corresponding quarter in 2025. The decrease in rate was driven by a change in the composition of AUM, including the impact of having a greater share in non-retail priced products, as well as the effect of the previously announced reduction of administration and management fees effective April 1, 2026 on certain bundled-purchase options. Asset management fees – Wealth Management were $37 million, an increase of $6 million from the corresponding quarter in 2025; and
- An increase in net investment income and other of $5 million to $10 million. Net investment income and other primarily includes investment returns related to Mackenzie's investments in proprietary funds, which are generally made in the process of launching a fund and are sold as third-party investors subscribe.

Partially offset by:

- An increase in expenses of $7 million to $126 million, due to an increase in advisory and business development expenses of $5 million and an increase in sub-advisory expenses of $3 million, partially offset by a decrease in operations and support expenses of $1 million, compared with the corresponding quarter in 2025. Operations and support expenses include costs associated with business operations, including technology and business processes, in-house investment management and product shelf management, corporate management and support functions. These expenses primarily reflect compensation, technology and other service provider expenses; and
- An increase in income taxes of $4 million to $25 million.

Adjusted net earnings increased by $36 million to $215 million in the six-month period ended June 30, 2026, compared with the corresponding period in 2025. Adjusted net earnings of Asset Management includes a positive contribution of $82 million from strategic investments, an increase of $14 million compared with the corresponding period in 2025. The adjusted net earnings of Mackenzie increased by $22 million to $133 million, primarily due to:

- An increase in net asset management fees, which is asset management fees offset by dealer compensation expenses, of $41 million to $441 million. Net asset management fees – third party were $368 million, an increase of $32 million compared with the corresponding period in 2025, primarily due to an increase in the average AUM of 18.7%, partially offset by a decrease in the net asset management fee rate. Mackenzie's net asset management fee rate was 47.2 basis points for the six months ended June 30, 2026, compared with 51.2 basis points in the corresponding period in 2025. The decrease in rate was driven by the same reasons explained in the three-month period above. Asset management fees – Wealth Management were $73 million, an increase of $9 million from the corresponding period in 2025; and
- An increase in net investment income and other of $5 million to $12 million.

Partially offset by:

- An increase in expenses of $19 million to $262 million, due to an increase in operations and support expenses of $9 million, an increase in advisory and business development expenses of $5 million, and an increase in sub-advisory expenses of $5 million, compared with the corresponding period in 2025; and
- An increase in income taxes of $5 million to $45 million.

ASSETS UNDER MANAGEMENT AND ADVISEMENT

AUA are the key driver of the Wealth Management segment.

AUM are the key driver of the Asset Management segment and an additional driver of revenues and expenses within the Wealth Management segment in relation to its investment management activities.

Total assets under management and advisement (AUM&A) were as follows:

(in billions of dollars)	June 30, 2026	March 31, 2026	June 30, 2025	March 31, 2025
Wealth Management				
IG Wealth Management AUM	152.9	140.5	129.6	124.6
IG Wealth Management other AUA	23.7	22.1	17.1	16.9
Assets under advisement	176.6	162.6	146.7	141.5
Asset Management				
Third-party AUM	166.7	151.3	137.2	133.5
Sub-advisory and AUM to Wealth Management	102.1	94.6	87.4	85.1
Assets under management	268.8	245.9	224.6	218.6
Consolidated [1]				
AUM	319.7	291.9	266.8	258.1
AUM&A [2]	343.3	314.0	283.9	275.0
AUM&A excluding non-fee-bearing assets [3]	340.6	311.4	283.9	275.0

[1] Represents the consolidated AUM&A of IGM. In the Wealth Management segment, assets under management is a component part of assets under advisement. All instances where the Asset Management segment is providing investment management services or distributing its products through the Wealth Management segment are eliminated in IGM's reporting such that there is no double counting of the same client savings held at IGM's core businesses.

[2] Includes adjustment representing the elimination of double counting where business is reflected within multiple segments.

[3] Non-fee-bearing assets are included in the AUA of Wealth Management.

Total average assets under management and advisement were as follows:

		2026				2025
(in billions of dollars)	Q2	Q1	Q4	Q3	Q2	Q1
Wealth Management						
IG Wealth Management AUA	170.6	163.8	157.8	150.5	141.2	142.5
IG Wealth Management AUM	147.8	141.8	139.5	133.0	124.5	125.5
Asset Management						
Third-party AUM	160.4	153.1	149.7	141.2	132.7	132.2
Total AUM	259.2	248.2	243.2	230.7	217.9	217.5
Consolidated [1]						
AUM	308.2	294.9	289.2	274.2	257.2	257.7
AUM&A [2]	331.0	316.9	307.5	291.7	273.8	274.7
AUM&A excluding non-fee-bearing assets [3]	328.5	314.8	307.5	291.7	273.8	274.7

[1] Represents the consolidated AUM&A of IGM. All instances where the Asset Management segment is providing investment management services or distributing its products through the Wealth Management segment are eliminated in IGM's reporting such that there is no double counting of the same client savings held at IGM's core businesses.

[2] Includes adjustment representing the elimination of double counting where business is reflected within multiple segments.

[3] Non-fee-bearing assets are included in the AUA of Wealth Management.

ADJUSTMENTS

Adjustments are items excluded from net earnings in the determination of adjusted net earnings by IGM's management.

In the six months ended June 30, 2026, adjusted net earnings excluded a negative impact of $69 million after tax ($93 million pre-tax) comprised of:

- Restructuring and other charges of $70 million after tax ($95 million pre-tax), related to actions taken to simplify IGM's organizational structure and operating model, and to improve efficiency. These actions are intended to create capacity for IGM to further invest in AI capabilities. The initiatives include organizational structure changes, consolidation of certain team structures and streamlined workflows. The charge recorded in the second quarter is primarily severance and also includes other costs associated with these activities;
- IGM's proportionate share of Rockefeller's option program expense of $1 million recorded in the second quarter. The expense arises from Rockefeller equity-based long-term employee incentives that IGM accounts for on a cash-settled basis, creating potential for meaningful volatility from fair value changes. This expense is excluded to enhance the comparability of period-over-period financial results and better reflect the underlying performance of IGM; and
- IGM's proportionate share of Great West's adjustments of $7 million, recorded in the second quarter.
- Partially offset by a gain on partial sale of investment in associates, net of one-time costs, of $9 million after tax ($10 million pre-tax), recorded in the second quarter.

In the six months ended June 30, 2025, adjusted net earnings excluded a negative impact of $10 million after tax ($10 million pre-tax) related to IGM's proportionate share of Great West's adjustments, of which $6 million was recorded in the second quarter.

The information above has been derived from IGM's interim and most recent annual MD&A; see Part C of this MD&A for additional information on IGM's interim results. IGM's interim and most recent annual MD&A is available under its profile on SEDAR+ (www.sedarplus.ca).

GBL

OVERVIEW OF THE BUSINESS

GBL is an established investment holding company. As a leading and active investor in Europe, GBL is focused on long-term value creation with the support of a stable family shareholder base. GBL is focused on delivering meaningful growth by providing attractive returns to its shareholders through a combination of growth in its net asset value per share, a sustainable dividend and share buybacks. GBL's portfolio is composed of global companies, leaders in their sectors, in which GBL can contribute to value creation by being an active professional investor.

At June 30, 2026, GBL's portfolio was mainly comprised of the following investments (% equity ownership):

LISTED ASSETS

- SGS (SIX: SGSN) (14.2%) – testing, inspection and certification solutions
- adidas (XETR: ADS) (3.5%) – design, development and distribution of sporting goods
- Pernod Ricard (EPA: RI) (6.8%) – premium spirits
- Imerys (EPA: NK) (54.7%) – industrial mineral-based specialty solutions
- Recordati (BIT: REC) (3.3%) – international pharmaceutical group focused on specialty and rare disease medicines
- Concentrix (NASDAQ: CNXC) (4.5%) – global provider of customer experience (CX) solutions and technologies
- Ontex (EBR: ONTEX) (19.98%) – provider of personal hygiene solutions

DIRECT PRIVATE ASSETS

- Affidea (99.1%) – provider of advanced diagnostics and outpatient services
- Sanoptis (84.2%) – provider of ophthalmology services
- Rayner (45.0%) – ophthalmic MedTech specialist in intraocular lenses and related products
- Canyon (52.6%) – direct-to-consumer manufacturer of premium bicycles
- Voodoo (14.8%) – developer and publisher of mobile games
- Parques Reunidos (23.0%) – operator of leisure parks

GBL Capital is an indirect private asset activity that invests in funds and co-investments. In the fourth quarter of 2025, GBL announced the monetization of a significant portion of assets from the GBL Capital portfolio, its non-core asset class, and that GBL Capital would no longer be making new commitments. As well, in the first and second quarters of 2026, GBL completed the disposal of substantially all of the activities within Sienna Investment Managers. This evolution is in line with GBL's objective of portfolio simplification.

GBL reported a net asset value (refer to the section "Other Measures") at June 30, 2026 of €13,079 million or €100.77 per share, compared with €14,035 million or €105.37 per share at December 31, 2025.

2026 DEVELOPMENTS

Mid-term strategy execution: In the first and second quarters of 2026, GBL continued to execute its mid-term strategy through portfolio simplification, ongoing focus on direct private investments and providing attractive shareholder returns:

- **Exit of Umicore:** On February 25, 2026, GBL announced the exit of its remaining position in Umicore. GBL disposed of its remaining 8.0% interest or 19.6 million shares for total proceeds of €0.3 billion. The investment in Umicore was classified as FVOCI in accordance with IFRS 9 and therefore the disposal has no impact on GBL's net consolidated earnings.
- **Partial disposal of Concentrix:** On April 29, 2026, GBL reduced its interest in Concentrix from 14.4% at March 31, 2026 to 4.5% at June 30, 2026. This disposal generated net proceeds of €0.1 billion. The investment in Concentrix was classified as FVOCI in accordance with IFRS 9.
- **Investment in Rayner:** On May 28, 2026, GBL completed the previously announced agreement to acquire a 45% co-controlling equity interest in Rayner, a leading ophthalmic medtech platform that manufactures a full range of ophthalmic solutions. GBL invested €0.4 billion in equity alongside incumbent shareholders CVC Capital Partners (CVC) and the Rayner management team.
- **Acquisition of BUKO Group (BUKO):** On July 8, 2026, subsequent to quarter-end, GBL completed the previously announced acquisition of a majority interest in BUKO, a leading European provider of temporary traffic management services. GBL will invest €0.5 billion in equity alongside the BUKO management team.
- **Investment in Recordati S.p.A. (Recordati)**: On May 22, 2026, GBL and CVC announced the launch of a €10.7 billion cash bid for all outstanding shares of Recordati, a leading international pharmaceutical group, recognized for its established portfolio of prescription and over-the-counter treatments across a range of therapeutic areas. This would mark GBL's fourth investment in healthcare, following Affidea, Sanoptis and Rayner, and would provide sub-sector diversification beyond healthcare services and medtech. GBL will invest up to €1.3 billion and acquire a co-controlling equity interest alongside CVC, including an interest acquired in the open market subsequent to the announcement of the voluntary offer representing a market value of €350 million at June 30, 2026. The completion of the cash bid will result in Recordati being delisted from Euronext Milan. The transaction is subject to shareholder approval as well as other customary closing conditions and is expected to close in the fourth quarter of 2026.
- **Share repurchases:** During the first and second quarters of 2026, GBL repurchased, directly and through its subsidiaries, 1.3 million shares of its own capital for a total consideration of €108 million. On May 7, 2026, GBL cancelled 3.4 million of its treasury shares.

RESULTS

Contribution to Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Average direct ownership (%) [1]	17.4	17.1	16.9	17.2	16.7
Contribution to earnings					
Net earnings (loss)	(5)	20	(15)	15	10
Adjusted net earnings (loss)	(5)	20	(15)	15	(12)
Total dividend received [2]				161	175

As at	June 30, 2026	December 31, 2025
Contribution to holding company balance sheets		
Investment in GBL, carrying value	3,120	3,291
% of total holding company assets	10.3	11.1
Investment in GBL, fair value	2,874	2,691
% of total holding company assets, at fair value	3.7	4.4

[1] Average direct ownership presented does not consider the effect of the treasury shares held by GBL. The average economic ownership including the effect of treasury shares was 19.1% for the three-month period ended June 30, 2026 (18.5% in the second quarter of 2025).

[2] The dividend received from Parjointco was €100 million for the period ended June 30, 2026, compared with €112 million for the period ended June 30, 2025. In the six-month period ended June 30, 2026, Pargesa, a subsidiary of Parjointco, retained a portion of the dividend received from GBL.

Reconciliation of contribution to net earnings and adjusted net earnings of Power Corporation

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Contribution to Power Corporation's					
Adjusted net earnings (loss)	(5)	20	(15)	15	(12)
Adjustments					
Affidea's gain on debt modification	–	–	–	–	22
Net earnings (loss)	(5)	20	(15)	15	10

Contribution to net earnings (loss) as reported by GBL

	Three months ended			Six months ended	
(in millions of euros)	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Share of earnings (loss) of associates and consolidated operating companies of:					
Imerys	27	–	26	27	39
Affidea	(14)	(13)	(27)	(27)	57
Sanoptis	(33)	–	(49)	(33)	(70)
Canyon	1	(2)	–	(1)	(2)
Parques Reunidos/Piolin II	3	(14)	34	(11)	(5)
GBL Capital and Sienna Investment Managers	(1)	3	(13)	2	(17)
	(17)	(26)	(29)	(43)	2
Net dividends from investments:					
SGS	–	103	–	103	98
Pernod Ricard	41	–	41	41	41
adidas	15	–	11	15	11
Concentrix	1	5	2	6	7
Umicore	–	–	10	–	10
	57	108	64	165	167
Other financial income (expenses)	(19)	10	(44)	(9)	(35)
Other operating income (expenses)	(62)	(35)	(60)	(97)	(95)
Gains (losses) from disposals, impairments and reversals of non-current assets	3	5	(1)	8	(2)
Interest income (expenses)	26	3	20	29	7
Net earnings (loss) [1, 2]	(12)	65	(50)	53	44

[1] Described as "IFRS consolidated net result" in GBL's publicly disclosed information.

[2] Attributable to GBL shareholders.

Q2 2026 vs. Q2 2025 and Q1 2026	Year-to-date 2026 vs. 2025
Net earnings (loss)	
Net loss of €12 million, compared with a net loss of €50 million in the corresponding period in 2025, and net earnings of €65 million in the first quarter of 2026.	Net earnings of €53 million, compared with net earnings of €44 million in the corresponding period in 2025.

For the three-month period ended June 30, 2026, the net loss was €12 million, compared with a net loss of €50 million in the corresponding quarter in 2025. The decrease in net loss of €38 million was mainly due to:

- A decrease in the negative contribution from the share of earnings of associates and consolidated operating companies of €12 million to a negative contribution to GBL of €17 million, compared with a negative contribution of €29 million in the corresponding quarter in 2025, mainly due to:
  - A decrease in the negative contribution from Sanoptis of €16 million to a negative contribution to GBL of €33 million;
  - A decrease in the negative contribution from Affidea of €13 million to a negative contribution to GBL of €14 million;
  - A decrease in the negative contribution from GBL Capital and Sienna Investment Managers of €12 million to a negative contribution to GBL of €1 million; and
  - An increase in the contribution from Imerys and Canyon of €1 million each to a contribution to GBL of €27 million and €1 million, respectively, in the second quarter of 2026;
  - Partially offset by a decrease in the contribution from Parques of €31 million to a contribution to GBL of €3 million.
- A decrease in the negative contribution from other financial income (expenses) of €25 million to a negative contribution to GBL of €19 million, compared with a negative contribution of €44 million in the corresponding quarter in 2025. Other financial income includes a net decrease in the fair value of GBL Capital's investments in alternative funds and direct co-investments in private equity classified as FVPL of €3 million, compared with a net decrease in fair value of €13 million in the corresponding quarter in 2025;
- An increase in the contribution from interest income (expenses) of €6 million to a positive contribution to GBL of €26 million, compared with a positive contribution of €20 million in the corresponding quarter in 2025, mainly due to interest income on cash and cash equivalents; and
- An increase in the contribution from gains (losses) from disposals, impairments and reversals of non-current assets of €4 million to a positive contribution to GBL of €3 million. In the three-month period ended June 30, 2026, GBL recognized a net gain of €8 million on the deconsolidation of Sienna Gestion and Sienna Private Credit.

Partially offset by:

- A decrease in dividends of €7 million to a contribution to GBL of €57 million, mainly due to GBL's disposal of its interest in Umicore in the first quarter of 2026;
- An increase in other operating expenses of €2 million to €62 million. Other operating expenses in the three-month period ended June 30, 2026 includes an expense of €16 million related to a carried interest program and the effect of the revaluation of long-term incentive plans of €12 million (€12 million and €15 million, respectively, in the corresponding quarter of 2025).

For the six-month period ended June 30, 2026, net earnings were €53 million, compared with net earnings of €44 million in the corresponding period in 2025. The increase in net earnings of €9 million was mainly due to:

- A decrease in the negative contribution from other financial income (expenses) of €26 million to a negative contribution to GBL of €9 million, compared with a negative contribution of €35 million in the corresponding period in 2025. Other financial income includes a net increase in the fair value of GBL Capital's investments in alternative funds and direct co-investments in private equity classified as FVPL of €15 million, compared with a net decrease in fair value of €8 million in the corresponding period in 2025;
- An increase in the contribution from interest income (expenses) of €22 million to a positive contribution to GBL of €29 million, compared with a positive contribution of €7 million in the corresponding period in 2025, mainly due to higher returns on money market investments and interest income on cash and cash equivalents; and
- An increase in the contribution from gains (losses) from disposals, impairments and reversals of non-current assets of €10 million to a positive contribution to GBL of €8 million in the six-month period ended June 30, 2026. GBL recognized a net gain of €16 million on the deconsolidation of Sienna Real Estate in the first quarter, and Sienna Gestion and Sienna Private Credit in the second quarter of 2026.

Partially offset by:

- A decrease in the contribution from the share of earnings of associates and consolidated operating companies of €45 million to a negative contribution to GBL of €43 million, compared with a positive contribution of €2 million in the corresponding period in 2025, mainly due to:
  - A decrease in the contribution from Affidea of €84 million to a negative contribution to GBL of €27 million. The contribution from Affidea in the six-month period ended June 30, 2025 notably included a positive impact of €81 million resulting from the renegotiation of its debt conditions;
  - A decrease in the contribution from Imerys of €12 million to a contribution to GBL of €27 million; and
  - A decrease in the contribution from Parques of €6 million to a negative contribution to GBL of €11 million.

  Partially offset by:
  - A decrease in the negative contribution from Sanoptis of €37 million and Canyon of €1 million to a negative contribution to GBL's earnings of €33 million and €1 million, respectively; and
  - An increase in the contribution from GBL Capital and Sienna Investment Managers of €19 million to a positive contribution to GBL of €2 million.
- A decrease in dividends of €2 million to €165 million, mainly due to GBL's disposal of Umicore as explained in the three-month period above, partially offset by an increase in the dividends received from SGS and adidas; and
- An increase in the negative contribution from other operating income (expenses) of €2 million to a negative contribution to GBL of €97 million, compared with a negative contribution of €95 million in the corresponding period in 2025. Other operating expenses in the six-month period ended June 30, 2026 includes an expense of €27 million related to a carried interest program and a charge related to the revaluation of long-term incentive plans of €17 million (€18 million and €18 million, respectively, in the corresponding period in 2025).

Average Exchange Rates

The average exchange rates for the three-month and six-month periods ended June 30, 2026 and 2025 were as follows:

	Three months ended			Six months ended		
	June 30, 2026	June 30, 2025	Change %	June 30, 2026	June 30, 2025	Change %
EUR/CAD	1.6097	1.5697	2.5	1.6074	1.5406	4.3

Adjustments

Management of the Corporation applies the definition of adjusted net earnings to the results reported by GBL and identifies Adjustments. Adjustments are items excluded from GBL's contribution to the Corporation's net earnings in the determination of the contribution to adjusted net earnings.

There were no Adjustments in the first and second quarters of 2026.

There were no Adjustments in the second quarter of 2025. In the first quarter of 2025, Adjustments with a positive earnings impact of $22 million related to the Corporation's proportionate share of the earnings impact of Affidea, resulting from the renegotiation of its debt conditions.

GBL's financial results and other disclosures have been derived from GBL's publicly disclosed financial information, as issued by GBL in its half-year report at June 30, 2026 and its 2025 Annual Report. Further information on GBL's results is available on its website (www.gbl.com).

OTHER COMPONENTS OF EARNINGS

Sagard and Power Sustainable

The Corporation, through its alternative asset investment platforms, Sagard and Power Sustainable, continues to develop asset management businesses which build upon the investment capabilities that have been created over many years in several high-growth asset classes. The alternative asset investment platforms are focused on growing their asset management businesses through raising third-party capital as well as the expansion of strategies and asset classes:

- Sagard is a global multi-strategy alternative asset management firm active in venture capital, private equity, private credit and real estate. Sagard delivers flexible capital, an entrepreneurial culture, and a global network of investors, commercial partners, advisors, and value creation experts to its portfolio companies. Sagard also engages in private wealth management and holds strategic interests in other alternative asset management businesses. The firm has offices in Canada, the U.S., Europe and the Middle East.
- Power Sustainable is a sustainability-focused investment manager with offices in Canada and the U.S. Power Sustainable finances companies and projects that aim for both competitive returns and positive sustainability outcomes, and offers institutional investors exposure to alternative assets which aim to accelerate and scale sustainable solutions across multiple industries. Power Sustainable is currently comprised of four strategies: Power Sustainable Energy Infrastructure, Power Sustainable Infrastructure Credit, Power Sustainable Lios (agri-food private equity) and Power Sustainable Decarb PE.

2026 DEVELOPMENTS

SAGARD

- **Sagard Artificial Intelligence (AI) Fund:** On May 20, 2026, the Corporation, Great West and IGM announced a combined US$150 million investment in the newly established Sagard AI Fund LP (Sagard AI). The Fund has been established to provide the Power group with (i) access to global AI market intelligence, including insight into leading AI first companies across sectors and geographies, (ii) structured strategic engagement, enabling commercial partnerships, pilot initiatives, and real world application opportunities across the group, (iii) potential for incremental investment opportunities in companies demonstrating strong strategic alignment, and (iv) attractive long-term return potential, supported by a disciplined and diversified AI investment approach. The Power group expects AI to meaningfully enhance decision making, operational efficiency, and the delivery of financial advice and solutions over time.

STRATEGIC PARTNERSHIPS BY SHMI

- **SHMI acquisition of Unigestion Private Equity Holding SA (Unigestion) private equity business:** On April 2, 2026, Sagard and Unigestion completed the closing of the partnership of their middle-market private equity businesses, combining their private equity primaries, secondaries and co-investment activities, for a total consideration of $373 million, of which Unigestion's former controlling shareholder and management team will invest approximately $128 million in SHMI equity.

  Unigestion will be integrated into Sagard Private Equity Solutions (Sagard Private Equity), which also includes BEX and PEM (and excludes Sagard's direct private equity strategies). Sagard Private Equity manages over US$22 billion [1] in private equity assets and offers an enhanced geographical reach and product scope, delivering bespoke and scalable private equity solutions across primaries, secondaries and co-investments to institutional and high-net-worth investors. The Corporation, through Sagard, acquired 100% [2] of the equity of Unigestion and has consolidated the private equity activities of Unigestion as of the transaction date. Refer to Note 3 of the Interim Consolidated Financial Statements for additional information.

  During the first quarter, Sagard completed an equity financing round, raising additional capital of US$110 million to partially fund the acquisition of Unigestion. The Corporation, Great West and management of SHMI participated in the round, investing an additional US$85.5 million representing a 10.1% fully diluted equity interest, of which the Corporation invested US$56.2 million. The Corporation also provided debt financing of US$50 million to SHMI, at market terms. The investment by Unigestion's former controlling shareholder and management team, which is expected to occur in the third quarter of 2026, will further reduce the Corporation's fully diluted equity interest in SHMI by approximately 4.5%. The Corporation will remain the controlling shareholder of SHMI subsequent to these transactions.

[1] As at June 30, 2026.

[2] Subject to the acquisition of the remaining 0.1%.

Sagard and Power Sustainable comprise the results of the investment platforms, which include income earned from asset management and investing activities:

		SAGARD	POWER SUSTAINABLE
ASSET MANAGEMENT ACTIVITIES	Sagard and Power Sustainable are focused on growing their asset management businesses through raising third-party capital as well as the expansion of strategies and asset classes.	Fee-related earnings + Carried interest + Other management activities and strategic interests [1]	Fee-related earnings + Carried interest + Other management activities (Potentia and Nautilus) [1]
INVESTING ACTIVITIES	Power Corporation invests proprietary capital in the strategies of its investment platforms to support their growth and development as asset managers and seeks to earn attractive returns commensurate with the risk profile.	**Investment** / **Accounting** ▪ Venture Capital: FVPL ◆ Wealthsimple: Consolidated ▪ Private Equity: FVPL ▪ Private Credit: FVPL ▪ Real Estate: FVPL	**Investment** / **Accounting** ▪ Energy Infrastructure: Consolidated [2] ▪ Infrastructure Credit: FVPL ▪ Decarbonization PE: Consolidated

[1] Sagard includes the share of earnings of the private wealth investment platform and other strategic interests. Power Sustainable includes the other management activities (Potentia and Nautilus) performed on behalf of PSEIP, including operations and maintenance (O&M), value-added and customer acquisition services.

[2] Investments in Energy Infrastructure are required to be consolidated in accordance with IFRS. Contribution to earnings represents the Corporation's share of earnings from the underlying activities of PSEIP and direct investments (i.e., revenues and expenses of projects, related financing expenses, depreciation, development and general and administrative (G&A) expenses), as well as the impact related to the revaluation of the equity interests held by third parties in PSEIP.

CONTRIBUTION TO POWER CORPORATION

Summary of Adjusted and net earnings (loss) from Sagard and Power Sustainable:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Contribution to Power Corporation's:					
Adjusted net earnings (loss)					
Asset management activities					
Sagard	15	(5)	8	10	4
Power Sustainable	(7)	(10)	(14)	(17)	(20)
Investing activities (proprietary capital)					
Sagard	18	-	98	18	139
Power Sustainable	3	(3)	1	-	4
	29	(18)	93	11	127
Adjustments					
Sagard (asset management activities)	(23)	-	-	(23)	-
Power Sustainable (investing activities)	7	(40)	49	(33)	37
	(16)	(40)	49	(56)	37
Net earnings (loss)	13	(58)	142	(45)	164

The following sections discuss the overview and results of the asset management and investing activities of the investment platforms.

ASSET MANAGEMENT ACTIVITIES

Overview of the businesses

SAGARD

At June 30, 2026, Sagard had $66.7 billion (US$46.9 billion) of assets under management ($47.4 billion (US$34.6 billion) at December 31, 2025), including unfunded commitments, across four asset classes: venture capital, private equity, private credit and real estate, and $1.7 billion through its private wealth investment platform Sagard Wealth ($1.5 billion at December 31, 2025). At June 30, 2026, assets under management managed through Sagard Private Equity included within the venture capital and private equity asset classes, comprising PEM's fund of funds, direct investment funds and separately managed accounts, BEX's secondaries strategies and Unigestion's private equity primaries, secondaries and co-investment activities, represented $32.1 billion (US$22.6 billion).

Sagard manages assets within funds, separately managed accounts and co-investment vehicles. The composition by strategy of the assets under management is as follows:

(in billions of dollars)	June 30, 2026	December 31, 2025
Venture Capital	16.5	14.6
Private Equity	31.7	16.2
Private Credit	8.3	7.9
Real Estate	8.7	7.4
Other [1]	1.5	1.3
	66.7	47.4

[1] Includes assets managed through its private wealth investment platform, as well as inter-fund eliminations between the private wealth investment platform and other asset classes.

Asset Classes

VENTURE CAPITAL

- Sagard is active in venture capital primarily through i) Portage, a global fintech investment platform with assets under management of $9,932 million, ii) Diagram, a fintech and climate tech venture-building platform with assets under management of $456 million, and iii) Performance Venture Capital, a technology-centric venture fund of funds and separately managed accounts with assets under management of $5,784 million. The Venture Capital asset class includes 18 active funds, as well as special purpose vehicles, separately managed accounts, continuation vehicles and direct co-investments.

Fintech & AI	Portage Ventures	Global fintech venture capital strategy focused on early-stage startups (including Seed to Series B rounds)
	Portage Capital Solutions	Capital partner for later-stage fintech and financial services businesses
	Diagram Ventures	Venture builder that conceives, launches and invests in fintech companies
	Sagard AI	Venture fund backing leading artificial intelligence (AI) companies across financial services and other key sectors globally
Climate tech	Diagram Climate Tech	Venture builder and early-stage investor in climate tech companies
Technology	Performance Venture Capital	Venture capital fund of funds program in U.S. technology-centric asset managers

PRIVATE EQUITY

- Sagard is active in private equity through its direct investing strategies, as well as primaries, secondaries and co-investment capabilities. In addition, Sagard offers separately managed accounts which provide tailor-made solutions combining these capabilities. The private equity activities include 34 active funds, as well as separately managed accounts, continuation vehicles and direct co-investments.

Direct funds	Sagard NewGen	European lower-middle-market private equity strategy investing in technology and healthcare
	Sagard MidCap	European middle-market private equity
	Sagard Private Equity Canada	Canadian middle-market private equity focused on business and financial services, as well as manufacturing
	Sagard Global Direct/ Performance Direct Investments	U.S. middle-market investment strategy focused on buyout and co-investment opportunities
Primaries	Emerging Manager Choice	Private equity fund of funds series designed to back highly specialized, lower-middle-market managers and spin-outs from established GPs
Secondaries	Unigestion Secondary	Secondaries strategy including LP interests and GP-led and direct secondaries offering balanced diversification
	BEX	Global secondaries strategy in private equity fund of funds, secondary and co-investment funds
Wealth channel	Sagard Private Equity Strategies	Evergreen private equity strategy designed for Canadian accredited investors
	Global Private Equity Mid-Market Leaders (GMML)	European evergreen private equity fund designed to provide diversified exposure through a combination of secondaries, co-investments and select primary fund commitments

PRIVATE CREDIT

- Sagard's credit offering includes investment strategies in private credit, senior lending, and collateralized loan obligations (CLOs), including its strategic investment in HalseyPoint. The Private Credit asset class includes six active funds, excluding the funds managed by Sagard | HalseyPoint (CLOs).

Direct funds	Sagard Credit Partners	Non-sponsor direct lending strategy focused on North American middle-market public and private companies
	Sagard Senior Lending Partners	Senior direct lending strategy focused on middle-market companies in North America
	Sagard Healthcare Partners	Biopharmaceutical royalties investment strategy, investing in royalties and credit
	CLO Equity	Invests in the equity tranche of CLOs focused on the U.S. leveraged loan and high-yield bond markets managed by Sagard | HalseyPoint
Wealth channel	Sagard Private Credit	Evergreen private credit strategy designed for Canadian accredited investors

- HalseyPoint, a manager jointly controlled by Sagard, manages CLOs focused on the U.S. leveraged loan and high-yield bond markets. HalseyPoint managed AUM of $6.4 billion (US$4.5 billion) at June 30, 2026 and has raised to date ten CLOs.

REAL ESTATE

- Sagard real estate activities consist of investment management services across the U.S. that include acquisitions, asset management, development and property management for its investors. Sagard Real Estate, headquartered in Denver, Colorado with regional offices throughout the U.S., offers a variety of investment strategies. Sagard offers direct investment funds and separately managed accounts which provide tailor-made solutions leveraging expertise in the industrial, multifamily and manufactured housing sectors.

PRIVATE WEALTH INVESTMENT PLATFORM

- Sagard Wealth is a dedicated chief investment office providing global investment opportunities to Canadian families. The Corporation, through Sagard, indirectly held a 78.5% interest in Sagard Wealth at June 30, 2026 (77.3% at December 31, 2025).

Assets Under Management

The composition by asset class of the assets under management, as well as Sagard's fee-bearing capital (refer to the section "Other Measures"), the related management fee rate and carried interest rate ranges by asset class are presented below:

					Three-month period ended June 30,	
(in millions)	Venture Capital [1, 2]	Private Equity [2]	Private Credit	Real Estate & Other [3]	2026	2025
AUM, beginning of period	14,957	16,385	8,085	9,702	49,129	39,858
Inflows [4]	361	491	372	429	1,653	2,524
Acquisition of AUM [5]	–	15,115	–	–	15,115	3,128
Distributions and other outflows [6]	(166)	(778)	(377)	(250)	(1,571)	(2,138)
Investment performance [7]	1,099	114	106	156	1,475	1,678
FX and Other	195	385	150	144	874	(882)
AUM, end of period	16,446	31,712	8,336	10,181	66,675	44,168

					Six-month period ended June 30,	
(in millions)	Venture Capital [1, 2]	Private Equity [2]	Private Credit	Real Estate & Other [3]	2026	2025
AUM, beginning of year	14,604	16,187	7,938	8,686	47,415	39,282
Inflows [4]	489	701	472	1,293	2,955	3,169
Acquisition of AUM [5]	–	15,115	–	–	15,115	3,128
Distributions and other outflows [6]	(286)	(839)	(544)	(454)	(2,123)	(3,038)
Investment performance [7]	1,289	(18)	193	384	1,848	2,304
FX and Other	350	566	277	272	1,465	(677)
AUM, end of period	16,446	31,712	8,336	10,181	66,675	44,168
Power Corporation (%)	*13.7*	*1.7*	*3.8*	*0.4*	*4.7*	*5.1*
Associated companies (%) [8]	*21.9*	*2.0*	*12.0*	*34.3*	*13.1*	*16.8*
Third Parties (%)	*64.4*	*96.3*	*84.2*	*65.3*	*82.2*	*78.1*
Unfunded commitments ($) [9]	2,259	9,196	2,974	113	14,542	9,375
Fee-bearing capital ($) [10]	8,323	24,509	3,627	6,920	43,379	28,501
Management fee (range) [11]						
Direct funds (%)	*1.5-2.5*	*1.8-2.0*	*1.0-1.8*	*0.5-1.3*		
Primaries, secondaries and co-investments (%) [12]	*0.3-1.0*	*0.5-1.5*	–	–		
Carried interest [13]						
Direct funds (%)	*10.0-20.0*	*20.0*	*15.0-20.0*	–		
Primaries, secondaries and co-investments (%)	*5.0*	*5.0-15.0*	–	–		

[1] The venture capital asset class includes investments held by Portage Ventures I, Power Financial and IGM, through limited partnerships controlled by Power Financial, in Wealthsimple, which represents a fair value of $4.4 billion at June 30, 2026 ($3.8 billion at December 31, 2025). Excludes investments in Wealthsimple held directly by Power Financial and IGM of $0.4 billion at June 30, 2026 ($0.3 billion at December 31, 2025).

[2] At June 30, 2026, assets under management managed through the primaries, secondaries and co-investment capabilities represented i) PEM's strategies of $5.8 billion (US$4.1 billion) within the venture capital asset class and $7.8 billion (US$5.5 billion) within the private equity asset class ($5.5 billion (US$4.0 billion) within the venture capital asset class and $7.7 billion (US$5.6 billion) within the private equity asset class at December 31, 2025), ii) BEX funds of $3.4 billion (US$2.4 billion) within the private equity asset class ($3.3 billion (US$2.4 billion) at December 31, 2025), and iii) Unigestion funds of $15.1 billion (US$10.6 billion) within the private equity asset class.

[3] Other represents $1.5 billion at June 30, 2026 ($1.3 billion at December 31, 2025) and includes assets managed through Sagard Wealth, as well as inter-fund eliminations between Sagard Wealth and other asset classes.

[4] Inflows represent new capital commitments, subscriptions in open-ended funds, capital contributions to investment vehicles without a committed capital structure and other increases in available capital.

[5] Represents assets under management of Unigestion at the acquisition date (assets under management of BEX in 2025).

[6] Distributions and other outflows represent fund distributions to investors, redemptions in open-ended funds and other decreases in available capital. Excludes distributions recalled by a fund for reinvestment, as well as distributions made by a fund due to rebalancing following increases in fund size.

[7] Investment performance comprises realized and unrealized gains (losses) on underlying portfolio investments.

[8] Associated companies includes commitments from management, as well as commitments from Great West, IGM and GBL.

[9] As of June 30, 2026, US$633 million of available capital was excluded from unfunded commitments. This amount is not legally committed and represents the maximum potential capital that may be contributed under joint venture operating agreements and is subject to the discretionary identification and approval of eligible real estate investments.

[10] Excludes the fee-bearing capital of Sagard Wealth of $1.7 billion at June 30, 2026 ($1.4 billion at December 31, 2025).

[11] Represents the base management fees of active funds, which are calculated based on invested capital, committed capital or net asset value, as applicable.

[12] Includes management fees earned by PEM, BEX and Unigestion, which manage fund of funds and secondary investment vehicles that typically carry lower management fee rates than direct investment funds. The management fees represent the range of base fees related to the active funds over the remaining life of each fund.

[13] Represents the base carried interest for each fund. Sagard will receive an allocation of carried interest for certain funds managed by PEM, BEX and Unigestion with vintage years subsequent to the acquisition of the respective manager.

Sagard's weighted average management fee rate (refer to the section "Other Measures") was 1.09% for the three-month period ended June 30, 2026, compared with 0.96% in the corresponding quarter in 2025. The increase is primarily due to the change in the composition of assets under management and related fee rates including the impact from the acquisition of Unigestion in the second quarter of 2026.

Sagard's weighted average management fee rate was 1.00% for the six-month period ended June 30, 2026, compared with 0.91% in the corresponding period in 2025. The increase is primarily due to the same reasons explained in the three-month period above.

POWER SUSTAINABLE

At June 30, 2026, Power Sustainable had $4.3 billion of assets under management ($4.4 billion at December 31, 2025), including unfunded commitments. Assets under management reflect the fair value of assets, net of liabilities and project debt, and includes unfunded commitments.

Power Sustainable manages assets within funds and separately managed accounts. The composition of assets under management is as follows:

(in millions of dollars)	June 30, 2026	December 31, 2025
Power Sustainable Energy Infrastructure	2,540	2,647
Power Sustainable Infrastructure Credit	1,145	1,118
Power Sustainable Lios	263	271
Power Sustainable Decarb PE	363	352
Assets under management	4,311	4,388
Power Corporation	*984*	*1,160*
Third parties and associated companies [1]	*3,327*	*3,228*
Fee-bearing capital [2]	3,653	3,607
Power Corporation	*912*	*981*
Third parties and associated companies [1]	*2,741*	*2,626*

[1] Associated companies includes commitments from management, as well as commitments from Great West.

[2] Refer to the section "Other Measures".

Power Sustainable's weighted average management fee rate was 1% for the three-month and six-month periods ended June 30, 2026, comparable with the corresponding periods in 2025.

The following table provides information on the strategies managed by Power Sustainable as well as the Corporation's interests in each of the strategies:

June 30, 2026			Commitments [1]		Interest held [2]			
(in millions of dollars; except as otherwise noted)	Currency	Vintage	Capital commitments	Total funded	Power Corporation	Associated companies [3]	Third parties	NAV
			($)	($)	(%)	(%)	(%)	($)
Power Sustainable Energy Infrastructure Partnership [4, 5]	C$	2021	1,800	1,759	28.1	12.9	59.0	2,499
Power Sustainable Infrastructure Credit [6, 7]	US$	2023	824	503	14.1	75.3	10.6	331
Power Sustainable Lios	C$	2022	285	209	–	20.7	79.3	187
Power Sustainable Decarb PE [8]	US$	2026	266	46	39.5	28.8	31.7	35

[1] Includes amounts of separately managed agreements committed within each strategy. Total funded commitments represent the net cash funded for portfolio investments and fund expenses since inception, excluding amounts that have been recalled by the fund, amounts funded related to direct secondary assignments and rebalancing due to increases in capital commitments.

[2] Based on committed capital or NAV as of June 30, 2026.

[3] Associated companies includes commitments from management as well as commitments from Great West of $220 million in PSEIP, US$600 million in Power Sustainable Infrastructure Credit, $56 million in Power Sustainable Lios and US$75 million in Power Sustainable Decarb PE.

[4] NAV of the fund represents the fair value of investments held within the fund, net of any liabilities and project debt, and includes the controlled and consolidated investments held through the fund presented at fair value. Refer to the section "Adjusted Net Asset Value" for a description of the Corporation's fair value adjustments to controlled and consolidated investments.

[5] At June 30, 2026, PSEIP had distributed an amount of $98 million since inception.

[6] The Corporation has a separately managed account which invests alongside the fund on target investments up to a total of US$148 million as at June 30, 2026. The Corporation had invested US$71 million (C$99 million) through this account as at June 30, 2026, net of recallable distributions and disposals through direct secondary offerings.

[7] At June 30, 2026, PSIC had distributed an amount of US$222 million since inception, excluding distributions due to rebalancing from increases in capital commitments and direct secondary assignments, of which US$154 million is recallable.

[8] Fund commitments of up to US$330 million, of which US$266 million is currently callable. The vintage year has been aligned with the date of the first investment by Power Sustainable Decarb PE in the first quarter of 2026.

Power Sustainable Energy Infrastructure

Power Sustainable Energy Infrastructure (Power Sustainable Energy) operates a leading North American-focused renewable energy platform with 3.8 GW of utility-scale and distributed energy assets, including assets under construction, and assets in advanced development projects. Through its wholly owned operating companies, Potentia Renewables and Nautilus Solar, Power Sustainable Energy has a dedicated team of over 200 in-house professionals to oversee the development, construction, financing and operation of renewable energy assets across North America.

- Potentia Renewables: Power Sustainable holds a 100% interest in Potentia, a renewable energy generation company, which is a fully integrated developer, operator and manager of solar and wind energy assets, active in North America.
- Nautilus Solar: Power Sustainable holds a 100% interest in Nautilus, a company headquartered in Chicago, U.S. that acquires, develops, finances and manages distributed solar projects across community, municipal/utility-scale, commercial and industrial markets.

The Power Sustainable Energy Infrastructure platform actively manages investments through Power Sustainable Energy Infrastructure Partnership (PSEIP) and through direct investments in energy infrastructure.

The following table details the composition of the total megawatts of utility-scale and distributed energy assets managed:

(in megawatts (MW))	June 30, 2026	December 31, 2025
Advanced development [1]	286	681
Under construction [1]	947	595
Operating [1]	2,602	2,566
	3,835	3,842

[1] Includes projects in which PSEIP has a joint interest representing 613 MW at June 30, 2026, of which 147 MW is included in Advanced development and 196 MW is included in Under construction (a total of 613 MW, of which 343 MW was included in Advanced development at December 31, 2025).

Power Sustainable Energy earns management fees of 0.80% to 1.00% charged on the net asset value of PSEIP as well as a carried interest of 15%. Power Sustainable Energy also earns management fees of 0.85% charged on the net asset value of direct investments.

At June 30, 2026, the total assets on a consolidated basis of PSEIP and direct investments were $6.5 billion ($6.1 billion at December 31, 2025).

Power Sustainable Infrastructure Credit

Power Sustainable Infrastructure Credit, a global infrastructure credit platform, targets global investments in energy, transportation and logistics, digital, social and other sustainable infrastructure. The platform targets sub-investment-grade infrastructure investments and seeks to support sustainable assets, portfolios and operating companies with tailored financing solutions.

Power Sustainable Lios

Power Sustainable Lios is a specialized North American agri-food private equity investment platform supporting the sustainability transformation occurring within our food system. Lios Fund I, its inaugural fund, invests in growth-oriented, mid-market companies across the food value chain in North America to drive positive and sustainable change.

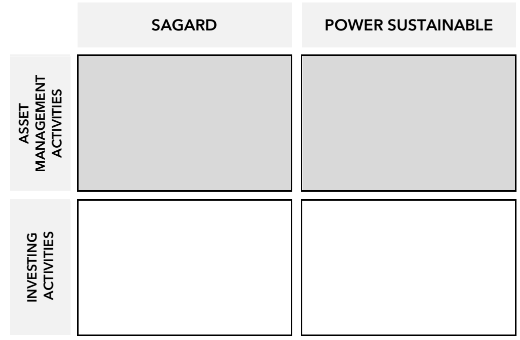
Power Sustainable Decarb PE

Power Sustainable Decarbonization Private Equity (Power Sustainable Decarb PE) seeks superior risk-adjusted returns through investments in established middle-market companies that help decarbonize the North American economy. The strategy targets investments in the energy, industrial and transportation sectors and the built environment.

On January 30, 2026, Power Sustainable Decarb PE acquired a majority interest in a U.S.-based provider of energy efficiency, utility services, and distributed energy resources, primarily serving utilities and energy service companies as well as municipal customers. The Corporation has determined that it has control of this entity in accordance with IFRS 10, *Consolidated Financial Statements*; the transaction did not have a significant impact on the Corporation's consolidated financial statements.

RESULTS – Asset Management Activities

Asset management activities includes fee-related earnings (a non-IFRS financial measure, refer to the section "Non-IFRS Financial Measures"), which is comprised of management fees and fee-related performance revenues less investment platform expenses. Asset management activities also includes carried interest and income from other management activities.



Summary of the composition of net earnings (loss) from asset management activities:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Sagard					
Management fees [1, 2]	99	73	67	172	126
Investment platform expenses	(97)	(80)	(70)	(177)	(137)
Fee-related earnings (loss) [3]	2	(7)	(3)	(5)	(11)
Net carried interest [4]	37	6	30	43	34
Other [3]	(5)	(7)	(7)	(12)	(15)
	34	(8)	20	26	8
Earnings (loss) from private wealth platform and other asset management activities [5]	–	(1)	–	(1)	–
Non-controlling interests [6]	(19)	4	(12)	(15)	(4)
	15	(5)	8	10	4
Power Sustainable					
Management fees [1]	10	10	10	20	17
Investment platform expenses	(16)	(17)	(16)	(33)	(30)
Fee-related earnings (loss) [3]	(6)	(7)	(6)	(13)	(13)
Net carried interest [4]	2	3	(4)	5	(7)
Other [3, 7]	(5)	(7)	(5)	(12)	(3)
Non-controlling interests [8]	2	1	1	3	3
	(7)	(10)	(14)	(17)	(20)
Adjusted net earnings (loss)	8	(15)	(6)	(7)	(16)
Adjustments					
SAGARD					
Revaluation of Sagard NCI liabilities	(23)	–	–	(23)	–
Net earnings (loss)	(15)	(15)	(6)	(30)	(16)

[1] Includes management fees charged by the investment platform on proprietary capital. Management fees paid by the Corporation are deducted from income from investing activities.
[2] In the first and second quarters of 2026, Sagard recognized a retroactive management fee of $2 million and $3 million, respectively, related to new capital committed in closed-ended funds ($5 million in the second quarter of 2025).
[3] Fee-related earnings is a non-IFRS financial measure. Items excluded from fee-related earnings have been included in Other. Refer to the section "Non-IFRS Financial Measures" for a description and reconciliation.
[4] Net carried interest is comprised of carried interest earned, net of amounts allocated to employees. 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.
[5] Includes the Corporation's share of earnings (losses) from Sagard's private wealth investment platform and other asset management activities as well as its interest in HalseyPoint.
[6] Non-controlling interests represent equity interests held by third parties in SHMI, PEM and BEX, as well as interests held in SHMI by Great West and management of Sagard.
[7] Other includes customer acquisition, development and asset management activities provided by Potentia and Nautilus on behalf of PSEIP.
[8] Non-controlling interests represent equity interests held in PSM by Great West and management of Power Sustainable.

ADJUSTMENTS (EXCLUDED FROM ADJUSTED NET EARNINGS)

Sagard

For the six-month period ended June 30, 2026, Sagard recognized Adjustments of a net negative impact of $23 million after tax ($24 million pre-tax), mainly related to a revaluation adjustment on SHMI's non-controlling interests liabilities in BEX, resulting from a positive revision to earnings expectations, recorded in the second quarter.

There were no adjustments in the three-month and six-month periods ended June 30, 2025.

CARRIED INTEREST

In addition to management fees, Sagard and Power Sustainable also earn carried interest and other performance-based revenues from certain investment strategies when performance thresholds and distribution hurdles are achieved. Carried interest arrangements generally range from 5% to 20% of investment profits and are earned after investors have received the return of contributed capital and, where applicable, a preferred return or hurdle rate.

The timing and magnitude of carried interest realizations can vary significantly from period to period as they depend on investment performance, realization activity, valuation movements and the satisfaction of applicable distribution waterfalls. Accordingly, carried interest revenue is inherently less predictable than management fee revenue but represents an important component of long-term earnings and value creation across the investment platforms.

The following table summarizes the accumulated unrealized carried interest (refer to the section "Other Measures") generated by Sagard and Power Sustainable based on current investment performance, net of amounts allocated to employees, by asset class. Accumulated unrealized carried interest includes amounts that have been recognized under IFRS as well as amounts that have not been recognized:

	Net accumulated unrealized carried interest, as at	
	June 30, 2026	December 31, 2025
Sagard		
Venture Capital [1]	245	195
Private Equity	47	43
Private Credit	66	51
Power Sustainable		
Power Sustainable Energy Infrastructure	46	38
Power Sustainable Infrastructure Credit	4	3
	408	330
***by fund vintage* [2]**		
2021 and prior	333	273
2022	39	32
2023	24	18
2024	4	2
2025	8	5
	408	330
Attributable to:		
Power Corporation	209	168
Non-controlling interests [3]	199	162

[1] Includes the carried interest to be paid by the Corporation on the increase in fair value of the investment held in Wealthsimple.

[2] The fund vintage year represents the date of the first investment made by the fund.

[3] Includes amounts attributable to Great West through its investment in SHMI and PSM.

INVESTING ACTIVITIES

Overview

Power Corporation invests proprietary capital in the strategies of its investment platforms to support their growth and development as asset managers. The investment platforms' growth strategy is focused primarily on raising third-party capital, and the Corporation expects that its proprietary capital will represent an increasingly smaller proportion of future funds. The Corporation seeks to earn attractive returns on its proprietary capital investments commensurate with the risk profile of the underlying investments in each strategy. Returns are expected to be realized over differing time horizons:

- Income-related strategies such as Private Credit, Real Estate, Power Sustainable Energy Infrastructure Partnership and Power Sustainable Infrastructure Credit are expected to generate returns on a regular basis; and
- Capital appreciation strategies such as Venture Capital and Private Equity are expected to generate returns as investments are monetized.

The Corporation holds investments managed by Sagard and Power Sustainable. The following table summarizes the investments held, by asset class, including the investments held through Power Financial:

	As at December 31, 2025			Six-month period ended June 30, 2026			As at June 30, 2026		
(in millions of dollars)	Investments to date [1]	Distributions to date [1]	Fair value	Investments	Distributions	Fair value change	Investments to date [1]	Distributions to date [1]	Fair value
Sagard									
Venture Capital [2]	654	312	1,909	19	20	252	673	332	2,160
Private Equity	1,346	1,634	327	84	13	33	1,430	1,647	431
Private Credit [3]	565	400	250	56	34	15	621	434	287
Real Estate	33	1	32	1	–	1	34	1	34
Cash and other	1	–	21				1	–	36
	2,599	2,347	2,539	160	67	301	2,759	2,414	2,948
Power Sustainable									
Power Sustainable Energy Infrastructure									
PSEIP [4]	447	33	654	1	3	10	448	36	662
Direct investments [5]	1,216	782	131	1	154	22	1,217	936	–
Power Sustainable Infrastructure Credit [6]	104	38	75	31	47	7	135	85	66
Power Sustainable Decarb PE	–	–	–	25	–	(5)	25	–	20
Cash and other investments [5]	18	5	42	5	–	40	23	5	87
	1,785	858	902	63	204	74	1,848	1,062	835
	4,384	3,205	3,441	223	271	375	4,607	3,476	3,783

[1] Includes distributions which have been recalled by the fund and distributions due to rebalancing.

[2] Includes investment in the controlled and consolidated subsidiary, Wealthsimple, at fair value.

[3] The investments to date and distributions to date presented for the comparative period have been adjusted to remove investments which have been disposed of as at December 31, 2025.

[4] Includes the Corporation's share of investments in controlled and consolidated subsidiaries held through PSEIP at fair value. Investments to date include amounts previously held through direct investments which were transferred to PSEIP in 2021, in each of the third quarters of 2022 and 2023, and in the second quarter of 2025.

[5] Investments to date include funding related to the acquisitions of Potentia and Nautilus and related platform expenses prior to the establishment of Power Sustainable Energy Infrastructure. The fair value for the comparative period has been adjusted to reflect the reclassification of cash and other assets from direct investments to cash and other investments.

[6] Consists of investments through a separately managed account. Investments to date is presented net of disposals of funded committed capital through direct secondary offerings.

FINTECH INVESTMENTS

Fintech investments are comprised of the Corporation's investments, primarily held through Power Financial, in the Portage Ventures and Diagram funds and Wealthsimple. The Corporation's investments in the Portage Ventures and Diagram funds allow it to deepen its knowledge and accelerate the adoption of innovation within the Power group, while significant investments such as Wealthsimple give direct access to novel capabilities.

Wealthsimple

At June 30, 2026, Power Financial, IGM and Great West collectively held, through limited partnerships controlled by Power Financial and through direct investments, an undiluted equity interest in Wealthsimple of 52.3% (52.4% at December 31, 2025), representing a voting interest of 57.5% and a fully diluted equity interest of 40.7%. Wealthsimple, founded in 2014, is one of Canada's fastest-growing financial technology companies, and provides simple digital tools for growing and managing money.

Wealthsimple continues to strengthen its presence in the marketplace and offers a suite of financial products, ranging from investing to spending, saving and tax. At June 30, 2026, Wealthsimple had 3.6 million clients, excluding tax filers, across the Canadian market with assets under administration of $155.6 billion, compared with $111.3 billion at December 31, 2025.

At June 30, 2026, the Power group had invested $544 million in Wealthsimple (same as at December 31, 2025), and had received total proceeds of $500 million from a secondary transaction in 2021.

The fair value of Power group's interest in Wealthsimple was $4.7 billion at June 30, 2026 ($4.1 billion at December 31, 2025). The increase in fair value in the six-month period ended June 30, 2026 considers public market peer valuations, Wealthsimple's business performance and revenue expectations, as well as transactions which closed in the fourth quarter of 2025.

The following table is a summary of the Power group's direct and indirect interests held in Wealthsimple:

	Power Financial	IGM	Great West and Other	Power group's interest held as at June 30, 2026	Power group's interest held as at December 31, 2025
Investment in Wealthsimple, fair value	1,800	2,777	171	4,748	4,130
Investment in Wealthsimple, fair value, net of carried interest [1]	1,682	2,592	157	4,431	3,860
Fully diluted equity interest (%) [2]	15.4	23.8	1.5	40.7	40.7
Undiluted equity interest (%) [3]	19.8	30.6	1.9	52.3	52.4

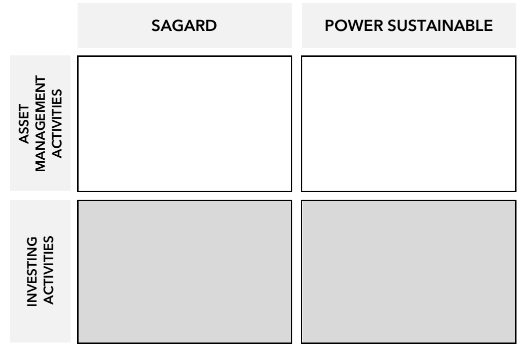
[1] The fair value presented is net of deductions for carried interest payable to Sagard in respect of limited partnership-held interests, including amounts subject to incentive arrangements.

[2] Fully diluted equity interest assumes conversion of all potentially dilutive instruments, irrespective of their current exercisability or vesting conditions.

[3] Undiluted equity interest is calculated based on outstanding equity interests at the end of the reporting period.

RESULTS – Investing Activities

Investing activities comprises income earned on the capital invested by the Corporation (proprietary capital) in the investment funds managed by the investment platforms and the share of earnings (losses) of controlled and consolidated subsidiaries held within the investment platforms. Due to the accounting treatment required for the underlying investments and activities, the results of certain consolidated funds and controlled and consolidated subsidiaries included in investing activities are not aligned with the fair value changes of the Corporation's respective investment.



The Corporation has determined that it has control of Power Sustainable Energy Infrastructure Partnership due to its exposure to variable returns and is required to consolidate the activities of PSEIP in accordance with IFRS; therefore, the increase in fair value of the Corporation's interest held in PSEIP is not recognized in earnings. However, the limited partner equity interests held by third parties, which have redemption features, subject to certain restrictions, have been classified as a financial liability and are remeasured at their redemption value. The impact from the revaluation of the non-controlling interests (NCI) liabilities has been excluded from adjusted net earnings. Refer to the section "Non-IFRS Financial Measures".

Income earned from investment activities (proprietary capital) is volatile in nature as it depends on many factors, including changes in fair value.

Summary of adjusted and net earnings (loss) from investing activities (proprietary capital):

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings (loss)					
SAGARD					
Private equity and other strategies	33	(1)	99	32	127
Venture capital (fintech investments) [1]	(15)	1	(1)	(14)	12
	18	–	98	18	139
POWER SUSTAINABLE					
Energy infrastructure [2]	(2)	(7)	1	(9)	(3)
Other	5	4	–	9	7
	3	(3)	1	–	4
Adjusted net earnings (loss)	21	(3)	99	18	143
Adjustments					
POWER SUSTAINABLE					
Revaluation of PSEIP NCI liabilities and other market-related impacts	7	(40)	49	(33)	37
Net earnings (loss)	28	(43)	148	(15)	180

[1] Includes the Corporation's share of earnings (losses) of Wealthsimple. The second quarter of 2026 includes a charge of $17 million related to the Corporation's share of the carried interest payable due to the increase in fair value of the investment held in Wealthsimple ($14 million recognized in the second quarter of 2025).

[2] Investments in Energy Infrastructure are consolidated in accordance with IFRS. Contribution to earnings represents the Corporation's share of earnings from the underlying activities of PSEIP and direct investments (i.e., revenues and expenses of projects, related financing expenses, depreciation, development and G&A expenses).

ADJUSTMENTS (EXCLUDED FROM ADJUSTED NET EARNINGS)

Power Sustainable

For the six-month period ended June 30, 2026, Power Sustainable recognized Adjustments of a net negative impact of $33 million, which consist of the Corporation's share of the revaluation of non-controlling interests liabilities and other market-related impacts:

- A charge of $32 million related to the revaluation of non-controlling interests liabilities resulting from changes in the fair value of assets held in PSEIP, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors. The Corporation controls and consolidates the activities of PSEIP in accordance with IFRS; however, equity interests held by third parties have redemption features and are classified as a financial liability, which are remeasured at their redemption value. The first and second quarters of 2026 include a net charge of $29 million and a net recovery of $10 million, respectively, related to the Corporation's share of the revaluation of non-controlling interests liabilities which resulted from a change in the fair value of assets held in PSEIP.
- The Corporation's share of fair value remeasurements of derivatives was a loss of $1 million after tax ($1 million pre-tax).

For the six-month period ended June 30, 2025, Power Sustainable recognized Adjustments of a net positive impact of $37 million, which consist of the Corporation's share of the revaluation of non-controlling interests liabilities and other market-related impacts:

- A recovery of $31 million related to the revaluation of non-controlling interests liabilities resulting from changes in the fair value of assets held in PSEIP, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors. The first and second quarters of 2025 include a recovery of $9 million and $25 million, respectively, related to the Corporation's share of the revaluation of non-controlling interests liabilities which resulted from a decrease in the fair value of assets held in PSEIP.
- A recovery of $11 million due to the remeasurement of a deferred tax liability related to the Corporation's investment in PSEIP, recognized in the second quarter of 2025.
- The Corporation's share of fair value remeasurements of derivatives was a loss of $5 million after tax ($7 million pre-tax), of which a gain of $1 million was recorded in the second quarter.

Corporate Operations and Other

Corporate operations and Other includes the contribution to net earnings and adjusted net earnings from the Corporation's other investment activities, and the Corporation's investment in LMPG, as well as corporate operations of the holding company which includes operating expenses, financing charges, depreciation, income taxes, and dividends on non-participating and perpetual preferred shares.

Summary of corporate operations and other of the Corporation and Power Financial shown on a combined basis:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Contribution to adjusted net earnings (loss)					
LMPG [1, 2]	–	(6)	(2)	(6)	(7)
Other corporate investments					
Investment funds	11	8	(5)	19	4
Other [3]	18	15	(13)	33	–
	29	17	(20)	46	(3)
Operating and other expenses					
Operating expenses [4]	(51)	(54)	(51)	(105)	(105)
Depreciation	(2)	(2)	(1)	(4)	(3)
Fair value change of TSARs, net of hedge [5]	(19)	(7)	–	(26)	3
Financing charges [6]	(14)	(14)	(14)	(28)	(27)
Income taxes	–	–	(1)	–	(1)
	(86)	(77)	(67)	(163)	(133)
Dividends on non-participating and perpetual preferred shares	(55)	(56)	(47)	(111)	(95)
	(112)	(116)	(134)	(228)	(231)
Adjustments					
Impairment charge on LMPG	(28)	–	–	(28)	–
LMPG remeasurement of deferred tax liabilities	–	–	–	–	12
	(28)	–	–	(28)	12
Net earnings (loss)	(140)	(116)	(134)	(256)	(219)

[1] The Corporation's investment in LMPG was previously presented separately within Standalone businesses. Certain comparatives have been reclassified to conform with the current presentation.

[2] The Corporation, through Power Sustainable Capital, held a controlling interest of 49.6% at June 30, 2026 (same as at December 31, 2025) in LMPG, a designer, developer, and manufacturer of a wide range of high-performance and sustainable specification-grade LED solutions for commercial, institutional, and urban environments.

[3] Includes foreign exchange gains or losses and interest on cash and cash equivalents.

[4] Operating expenses in the six-month period ended June 30, 2025 included a charge of $4 million related to updated performance assumptions used in the measurement of performance share units. Operating expenses related to Power Financial were $40 million in the six-month period ended June 30, 2026 ($43 million in the corresponding period in 2025).

[5] The Corporation has attached tandem share appreciation rights (TSARs) to certain options, which are classified as cash-settled share-based payments. The Corporation has entered into total return swap agreements to manage exposure to the volatility of its cash-settled share-based payments and related liability. The fair value change of TSARs represents the change in fair value of the liability, net of the remeasurement to fair value of the derivative instruments.

[6] Financing charges related to Power Financial were $9 million in the six-month period ended June 30, 2026 (same as in the corresponding period in 2025).

ADJUSTMENTS (EXCLUDED FROM ADJUSTED NET EARNINGS)

Management of the Corporation applies the definition of adjusted net earnings to the results reported by LMPG and identifies Adjustments.

In the six-month period ended June 30, 2026, Adjustments with a negative earnings impact of $28 million consisted of the Corporation's share of an impairment charge recognized on LMPG, recorded in the second quarter. On May 20, 2026, LMPG entered into an agreement, pursuant to which the Corporation agreed to sell 100% of its interest in LMPG. The transaction is expected to close in the third quarter of 2026, subject to customary closing conditions. As a result, the assets and liabilities of LMPG were classified as held for sale as at June 30, 2026. The completion of the transaction is not expected to have a significant impact on the Corporation's financial statements.

In the six-month period ended June 30, 2025, Adjustments with a positive earnings impact of $12 million primarily consisted of the Corporation's share of the remeasurement of deferred tax liabilities by LMPG, recorded in the first quarter.

Adjustments (excluded from adjusted net earnings)

The following table presents the Corporation's share of Adjustments:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Great West [1]					
Market experience relative to expectations	(115)	11	(72)	(104)	(134)
Assumption changes and management actions	(16)	2	(2)	(14)	(24)
Business transformation and other impacts	(4)	(22)	(83)	(26)	(90)
Amortization of acquisition-related finite life intangible assets	(24)	(23)	(26)	(47)	(51)
Tax legislative changes and other tax impacts	–	–	8	–	8
	(159)	(32)	(175)	(191)	(291)
Effect of consolidation [2]	(38)	(12)	7	(50)	5
	(197)	(44)	(168)	(241)	(286)
IGM [1]					
Restructuring and other	(45)	–	–	(45)	–
Rockefeller equity compensation	(1)	–	–	(1)	–
Gain on partial sale of investment in associates	6	–	–	6	–
Share of Great West's adjustments	(4)	–	(4)	(4)	(6)
	(44)	–	(4)	(44)	(6)
Effect of consolidation [2]	1	(1)	12	–	12
	(43)	(1)	8	(44)	6
GBL					
Affidea's gain on debt modification	–	–	–	–	22
Sagard and Power Sustainable					
Revaluation of Sagard NCI liabilities	(23)	–	–	(23)	–
Revaluation of PSEIP NCI liabilities and other market-related impacts	7	(40)	49	(33)	37
	(16)	(40)	49	(56)	37
Corporate operations and Other					
Impairment charge on LMPG	(28)	–	–	(28)	–
LMPG remeasurement of deferred tax liabilities	–	–	–	–	12
	(28)	–	–	(28)	12
	(284)	(85)	(111)	(369)	(209)

[1] As reported by Great West and IGM.

[2] The Effect of consolidation reflects i) the elimination of intercompany transactions; and ii) the application of the Corporation's accounting method for investments under common ownership to the Adjustments reported by Great West and IGM, including a realized gain recognized by IGM in the second quarter of 2025 on the sale of a portion of its interest in Conquest, a corporate investment classified by IGM as FVOCI.

For additional information on each of Great West, IGM, GBL, Sagard and Power Sustainable and the Corporate operations and Other, refer to their respective "Adjustments" sections above. Also refer to the section "Non-IFRS Financial Measures" in this MD&A.

FINANCIAL POSITION

CONSOLIDATED BALANCE SHEETS (CONDENSED)

The condensed balance sheets of Great West, IGM, and the combined holding company balance sheet of Power Corporation and Power Financial, as well as the Alternative asset investment platforms and Other, are presented below. These tables reconcile the holding company balance sheet with the condensed consolidated balance sheet of the Corporation at June 30, 2026 and December 31, 2025, which are included in Note 20 of the Interim Consolidated Financial Statements.

						June 30, 2026
	Great West	IGM	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation	Power Corporation consolidated balance sheet
Assets						
Cash and cash equivalents	9,923	1,515	2,196	2,054	(508)	15,180
Investments	245,645	5,344	184	6,716	506	258,395
Investments in publicly traded operating companies, investment platforms and other:						
Great West and IGM	435	669	22,444	–	(23,548)	–
GBL [2]	–	–	3,120	–	–	3,120
Other	1,241	2,750	1,784	–	(5,775)	–
Investments in jointly controlled corporations and associates	586	3,202	–	2,180	(562)	5,406
Insurance contract assets	1,586	–	–	–	–	1,586
Reinsurance contract held assets	16,755	–	–	–	–	16,755
Other assets	27,139	4,371	551	38,742	(173)	70,630
Intangible assets [3]	4,999	1,292	1	854	(87)	7,059
Goodwill [3]	11,483	2,637	–	453	407	14,980
Investments on account of segregated fund policyholders	626,219	–	–	–	–	626,219
Total assets	946,011	21,780	30,280	50,999	(29,740)	1,019,330
Liabilities						
Insurance contract liabilities	165,772	–	–	–	–	165,772
Investment contract liabilities	91,271	–	–	–	–	91,271
Reinsurance contract held liabilities	860	–	–	–	–	860
Obligations to securitization entities	–	4,707	–	–	–	4,707
Power Corporation's debentures and other debt instruments	–	–	647	–	–	647
Non-recourse debentures and other debt instruments of: [4]						
Power Financial, Great West and IGM	8,965	2,800	250	–	(88)	11,927
Consolidated investment funds and Other	–	–	–	4,695	–	4,695
Other liabilities	18,322	4,893	1,443	43,382	(1,296)	66,744
Insurance contracts on account of segregated fund policyholders	74,839	–	–	–	–	74,839
Investment contracts on account of segregated fund policyholders	551,380	–	–	–	–	551,380
Total liabilities	911,409	12,400	2,340	48,077	(1,384)	972,842
Equity						
Limited recourse capital notes	1,500	–	–	–	(1,500)	–
Perpetual preferred shares	3,120	–	2,830	–	(5,950)	–
Non-participating shares	–	–	1,350	–	–	1,350
Participating shareholders' equity	26,696	9,294	23,760	2,400	(38,390)	23,760
Non-controlling interests [5, 6]	3,286	86	–	522	17,484	21,378
Total equity	34,602	9,380	27,940	2,922	(28,356)	46,488
Total liabilities and equity	946,011	21,780	30,280	50,999	(29,740)	1,019,330

[1] Includes consolidated investment funds and their controlled investments, Wealthsimple and LMPG.

[2] Indirectly held through Parjointco. The holding company balance sheet includes the Corporation's investment in GBL, which is separately presented in Note 20 of the Interim Consolidated Financial Statements.

[3] The assets of Great West, IGM, and Alternative asset investment platforms and Other exclude the corporate allocation of goodwill and intangible assets.

[4] The debentures and other debt instruments of controlled and consolidated investments are secured by their assets which are non-recourse to the Corporation.

[5] Great West's non-controlling interests include the Participating Account surplus in subsidiaries.

[6] Non-controlling interests in Effect of consolidation represent non-controlling interests in the equity of Great West, IGM, PSM, SHMI, and controlled and consolidated investments.

						December 31, 2025
	Great West	IGM	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation	Power Corporation consolidated balance sheet
Assets						
Cash and cash equivalents	8,902	1,274	2,232	2,518	(560)	14,366
Investments	239,080	5,387	176	4,552	554	249,749
Investments in publicly traded operating companies, investment platforms and other:						
Great West and IGM	424	670	21,574	–	(22,668)	–
GBL [2]	–	–	3,291	–	–	3,291
Other	1,075	2,397	1,609	–	(5,081)	–
Investments in jointly controlled corporations and associates	570	3,084	–	1,734	(544)	4,844
Insurance contract assets	1,571	–	–	–	–	1,571
Reinsurance contract held assets	16,850	–	–	–	–	16,850
Other assets	26,992	5,662	626	29,100	(177)	62,203
Intangible assets [3]	4,912	1,291	1	915	(88)	7,031
Goodwill [3]	11,283	2,637	–	334	407	14,661
Investments on account of segregated fund policyholders	551,169	–	–	–	–	551,169
Total assets	862,828	22,402	29,509	39,153	(28,157)	925,735
Liabilities						
Insurance contract liabilities	161,644	–	–	–	–	161,644
Investment contract liabilities	89,042	–	–	–	–	89,042
Reinsurance contract held liabilities	919	–	–	–	–	919
Obligations to securitization entities	–	4,815	–	–	–	4,815
Power Corporation's debentures and other debt instruments	–	–	647	–	–	647
Non-recourse debentures and other debt instruments of: [4]						
Power Financial, Great West and IGM	8,792	2,400	250	–	(88)	11,354
Consolidated investment funds and Other	–	–	–	4,146	–	4,146
Other liabilities	18,259	6,149	1,350	32,327	(1,134)	56,951
Insurance contracts on account of segregated fund policyholders	70,418	–	–	–	–	70,418
Investment contracts on account of segregated fund policyholders	480,751	–	–	–	–	480,751
Total liabilities	829,825	13,364	2,247	36,473	(1,222)	880,687
Equity						
Limited recourse capital notes	1,500	–	–	–	(1,500)	–
Perpetual preferred shares	2,920	–	2,830	–	(5,750)	–
Non-participating shares	–	–	1,350	–	–	1,350
Participating shareholders' equity	25,437	8,944	23,082	2,280	(36,661)	23,082
Non-controlling interests [5, 6]	3,146	94	–	400	16,976	20,616
Total equity	33,003	9,038	27,262	2,680	(26,935)	45,048
Total liabilities and equity	862,828	22,402	29,509	39,153	(28,157)	925,735

[1] Includes consolidated investment funds and their controlled investments, Wealthsimple and LMPG.

[2] Indirectly held through Parjointco. The holding company balance sheet includes the Corporation's investment in GBL, which is separately presented in Note 20 of the Interim Consolidated Financial Statements.

[3] The assets of Great West, IGM, and Alternative asset investment platforms and Other exclude the corporate allocation of goodwill and intangible assets.

[4] The debentures and other debt instruments of controlled and consolidated investments are secured by their assets which are non-recourse to the Corporation.

[5] Great West's non-controlling interests include the Participating Account surplus in subsidiaries.

[6] Non-controlling interests in Effect of consolidation represent non-controlling interests in the equity of Great West, IGM, PSM, SHMI, and controlled and consolidated investments.

Consolidated assets and liabilities

Total assets of the Corporation increased to $1,019.3 billion at June 30, 2026, compared with $925.7 billion at December 31, 2025, mainly due to the following:

- Investments increased by $8.6 billion, primarily due to Great West's higher bond volumes in Canada and the strengthening of the U.S. dollar, euro and British pound relative to the Canadian dollar.
- Other assets increased by $8.4 billion, primarily due to an increase in funds held on behalf of clients.
- Investment contracts on account of segregated fund policyholders, which are measured at fair value, increased by $75.1 billion.

Liabilities increased to $972.8 billion at June 30, 2026, compared with $880.7 billion at December 31, 2025, mainly due to the following:

- Insurance contract liabilities increased by $4.1 billion, 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, primarily due to the impact of currency movements and market movements, partially offset by normal business movements.
- Other liabilities increased by $9.8 billion, primarily due to an increase in client funds payable.
- Insurance and investment contracts on account of segregated fund policyholders increased by $75.1 billion, primarily due to net deposits of $15.3 billion, the impact of currency movement of $11.4 billion, an increase in non-controlling mutual fund interest of $2.8 billion, and the impact of market value gains and investment income of $45.6 billion.

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. Refer to Part B of this MD&A for additional information.

Parts B and C of this MD&A include a discussion of the consolidated balance sheets of Great West and IGM, respectively.

HOLDING COMPANY BALANCE SHEETS

In the holding company balance sheets shown below, Power Corporation and Power Financial are shown on a combined basis; investments in subsidiaries are presented using the equity method. This presentation assists the reader by identifying changes in the combined holding company balance sheet of Power Corporation and Power Financial, and presents the investment activities, as well as the holding company's assets and liabilities, including cash, debentures and non-participating shares.

	June 30, 2026	December 31, 2025
Holding company assets		
Cash and cash equivalents [1]	2,196	2,232
Investment in:		
Great West	18,003	17,237
IGM	4,441	4,337
GBL [2]	3,120	3,291
Sagard and Power Sustainable [3]	1,732	1,525
Other assets and investments [4]	788	887
Total holding company assets	30,280	29,509
Holding company liabilities		
Debentures and other debt instruments [5]	897	897
Other liabilities [6]	1,443	1,350
Total holding company liabilities	2,340	2,247
Holding company equity		
Perpetual preferred shares [7]	2,830	2,830
Non-participating shares	1,350	1,350
Participating shareholders' equity	23,760	23,082
Total holding company equity	27,940	27,262
Total holding company liabilities and equity	30,280	29,509

[1] Cash equivalents include $508 million ($560 million at December 31, 2025) of fixed income securities with maturities of more than three months. In accordance with IFRS, these are classified as investments in the Interim Consolidated Financial Statements.

[2] Indirectly held through Parjointco.

[3] Includes Power Financial's investments in Portage Ventures I, Portage Ventures II and Wealthsimple, presented using the equity method.

[4] Includes $92 million of dividends declared in the second quarter by IGM ($83 million at December 31, 2025) to be received by Power Financial on July 31, 2026. Other investments include portfolio investments in investment funds, classified as FVPL, and the Corporation's controlled and consolidated investment in LMPG, which is presented using the equity method for purposes of the holding company presentation. At June 30, 2026, the Corporation had outstanding commitments to make future capital contributions to private investment funds for an aggregate amount of $26 million.

[5] Includes Power Financial's debentures of $250 million at June 30, 2026 (same as at December 31, 2025).

[6] Includes the purchase obligation of $196 million under the automatic share purchase plan at June 30, 2026.

[7] Perpetual preferred shares issued by Power Financial.

Cash and cash equivalents

Cash and cash equivalents held by the Corporation and Power Financial amounted to $2,196 million at June 30, 2026, compared with $2,232 million at the end of December 2025 (see "Holding Company Statements of Cash Flows" below for details).

The cash and cash equivalents held within the investment activities of Sagard and Power Sustainable amounted to $38 million at June 30, 2026 ($30 million at December 31, 2025) and are included in the carrying amount of the investment platforms.

Investments

INVESTMENTS IN GREAT WEST, IGM AND GBL (AT EQUITY)

The table below presents a continuity of the investments in Great West, IGM and GBL, which are presented using the equity method for the purposes of the holding company presentation. The carrying value of the investments in Great West, IGM and GBL, accounted for using the equity method, were $25,564 million at June 30, 2026, compared with $24,865 million at December 31, 2025:

	Great West	IGM	GBL [1]	Total
Carrying value, beginning of year	17,237	4,337	3,291	24,865
Contribution from adjusted net earnings	1,708	373	15	2,096
Contribution from adjustments	(241)	(44)	–	(285)
Disposals	(636)	–	–	(636)
Share of other comprehensive income (loss)	756	97	(5)	848
Dividends	(826)	(183)	(161)	(1,170)
Effect of changes in ownership and other	5	(139)	(20)	(154)
Carrying value, at June 30, 2026	18,003	4,441	3,120	25,564

[1] Indirectly held through Parjointco.

ALTERNATIVE ASSET INVESTMENT PLATFORMS

The table below presents the components of the alternative asset investment platforms, Sagard and Power Sustainable. The asset management companies, and controlled and consolidated investments held through the investment platforms including the investment in Wealthsimple, are presented using the equity method for the purposes of the holding company presentation.

Alternative asset investment platforms are comprised of the following investments:

Carrying value, at	June 30, 2026	December 31, 2025
Asset management companies		
Sagard	355	164
Power Sustainable	7	–
Investing activities		
Sagard [1]		
Investment funds and other [2]	1,256	1,066
Wealthsimple [3]	96	116
Power Sustainable	18	179
	1,732	1,525

[1] Certain comparatives have been reclassified to conform with the current presentation.

[2] Includes Power Financial's investments in Portage Ventures I and Portage Ventures II.

[3] Consists of Power Financial's direct and indirect investments in Wealthsimple, net of carried interest payable to Sagard on its investment in Wealthsimple. Excludes investment in Wealthsimple held by other entities within the Power group.

Income Taxes

The non-capital losses of the holding company, at June 30, 2026, were $1,625 million, which are available to reduce future taxable income (including capital gains). No benefit has been recognized for these non-capital losses. These losses expire from 2028 to 2046.

The capital losses of the holding company, at June 30, 2026, were $191 million ($97 million for which the benefits have not been recognized) and can be used indefinitely to offset capital gains.

Equity

NON-PARTICIPATING SHARES

Non-participating (preferred) shares of the Corporation consist of seven series of First Preferred Shares with an aggregate share capital of $1,350 million at June 30, 2026 (same as at December 31, 2025), all of which are non-cumulative. All series are perpetual preferred shares and are redeemable in whole or in part solely at the Corporation's option.

The terms and conditions of the other outstanding First Preferred Shares are described in Note 19 of the Corporation's 2025 Consolidated Financial Statements.

PARTICIPATING SHAREHOLDERS' EQUITY

Participating shareholders' equity was $23,760 million at June 30, 2026, compared with $23,082 million at December 31, 2025:

Six months ended June 30	2026	2025
Participating shareholders' equity, at the beginning of the year	23,082	22,930
Changes in participating shares		
Purchase for cancellation of subordinate voting shares under NCIB	(142)	(68)
Issuance of subordinate voting shares (2,981,673 shares in 2026 and 1,448,259 shares in 2025) under the Corporation's Executive Stock Option Plans	106	51
	(36)	(17)
Changes in retained earnings		
Net earnings before dividends on non-participating shares	1,549	1,487
Dividends declared	(881)	(813)
Purchase for cancellation of subordinate voting shares under NCIB [1]	(740)	(141)
Realized gains (losses) on FVOCI equity instruments transferred to retained earnings	(86)	46
Effects of changes in capital and ownership of subsidiaries, and other	(139)	(169)
	(297)	410
Changes in reserves		
Other comprehensive income (loss)		
Foreign currency translation adjustments	394	(336)
Investment revaluation and cash flow hedges	279	174
Actuarial gains (losses) on defined benefit plans	104	63
Share of Parjointco and other jointly controlled corporations and associates	221	(183)
Share-based compensation, including the effect of changes in capital and ownership of subsidiaries	13	2
	1,011	(280)
Participating shareholders' equity, at June 30	23,760	23,043

[1] Includes the impact of the purchase obligation under the automatic share purchase plan at June 30, 2026.

The book value per participating share (refer to the section "Other Measures") of the Corporation was $37.74 at June 30, 2026, compared with $36.31 at the end of 2025.

OUTSTANDING NUMBER OF PARTICIPATING SHARES

At the date of this MD&A, there were 54,860,866 Participating Preferred Shares of the Corporation outstanding (same as at December 31, 2025), and 572,866,765 Subordinate Voting Shares of the Corporation outstanding, compared with 580,872,092 at December 31, 2025.

At the date of this MD&A, options were outstanding to purchase up to an aggregate of 7,869,447 Subordinate Voting Shares of the Corporation, including 808,409 Subordinate Voting Shares issuable pursuant to options under the Power Financial Employee Stock Option Plan, which has been assumed by the Corporation, and 531,629 Subordinate Voting Shares were issuable pursuant to outstanding performance restricted share units.

NORMAL COURSE ISSUER BIDS

The Corporation's NCIB that commenced on March 1, 2025 expired on February 28, 2026. On March 1, 2026, the Corporation commenced a new NCIB which is effective until the earlier of February 28, 2027 and the date on which the Corporation has purchased the maximum permitted number of Subordinate Voting Shares. Pursuant to this bid, the Corporation may purchase up to 20 million of its Subordinate Voting Shares outstanding (representing approximately 3.8% of the public float of Subordinate Voting Shares outstanding at February 16, 2026) at market prices.

In connection with its NCIB, the Corporation has entered into an automatic share purchase plan (ASPP) and may provide parameters thereunder from time to time to allow a designated broker to purchase Subordinate Voting Shares under the NCIB at times when the Corporation would ordinarily not be permitted to purchase shares due to regulatory restrictions or self-imposed blackout periods. Outside of these predetermined trading blackout periods, purchases under the Corporation's NCIB will be completed at management's discretion. The ASPP has been effective since March 1, 2026, the commencement date of the new NCIB.

The Corporation repurchased and cancelled 9.2 million Subordinate Voting Shares for a total of $686 million in the six-month period ended June 30, 2026 (4.4 million Subordinate Voting Shares for a total of $209 million in the six-month period ended June 30, 2025).

SUBSEQUENT EVENT

Subsequent to quarter-end, the Corporation purchased, as at July 30, 2026, an additional 1.8 million Subordinate Voting Shares pursuant to its current NCIB for a total of $161 million.

ADJUSTED NET ASSET VALUE

Adjusted net asset value is presented for Power Corporation and represents management's estimate of the fair value of the participating shareholders' equity of the Corporation. Adjusted net asset value is calculated as the fair value of the assets of the combined Power Corporation and Power Financial holding company less their net debt and preferred shares. In determining the fair value of assets, investments in subsidiaries, jointly controlled corporations and associates are adjusted to fair value as follows:

- Investments in publicly traded companies are valued at their market value, measured as the closing share price on the reporting date;
- Investments in private entities, including debt instruments, are valued at fair value based on management's estimate using consistently applied valuation models either based on a valuation multiple or discounted cash flows. Certain valuations are prepared by external valuators or subject to review by external valuators. Market-comparable transactions are generally used to corroborate the estimated fair value. The value of investments in private entities is presented net of any management incentives; and
- Investments in investment funds are valued at the fair value reported by the fund which is net of carried interest or other incentives.

The presentation of the participating shareholders' equity at fair value is not in accordance with IFRS; adjusted net asset value is a non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures" for a description and a reconciliation of IFRS and non-IFRS financial measures.

The Corporation's adjusted net asset value is presented on a look-through basis. The combined holding company balance sheets of Power Corporation and Power Financial include the investments held in public entities through Power Financial (Great West, IGM and GBL), and the net debt and preferred shares of Power Financial. The adjusted net asset value per share, a non-IFRS ratio, was $112.94 at June 30, 2026, compared with $85.77 at December 31, 2025, representing an increase of 31.7%. The Corporation's book value per participating share (refer to the section "Other Measures") was $37.74 at June 30, 2026, compared with $36.31 at December 31, 2025, representing an increase of 3.9%.

	June 30, 2026			December 31, 2025		
	Holding company balance sheet	Fair value adjustment	Adjusted net asset value	Holding company balance sheet	Fair value adjustment	Adjusted net asset value
Holding company assets						
Investments						
Power Financial						
Great West	18,003	37,433	55,436	17,237	24,910	42,147
IGM	4,441	7,272	11,713	4,337	4,807	9,144
GBL [1]	3,120	(246)	2,874	3,291	(600)	2,691
Alternative asset investment platforms						
Asset management companies [2]						
Sagard	355	276	631	164	244	408
Power Sustainable	7	–	7	–	–	–
Investing activities						
Sagard [3]						
Investment funds and other [4]	1,256	10	1,266	1,066	8	1,074
Wealthsimple [5]	96	1,586	1,682	116	1,349	1,465
Power Sustainable	18	817	835	179	723	902
Cash and cash equivalents	2,196	–	2,196	2,232	–	2,232
Other assets and investments [3]	788	(6)	782	887	3	890
Total holding company assets	30,280	47,142	77,422	29,509	31,444	60,953
Holding company liabilities and non-participating shares						
Debentures and other debt instruments	897	–	897	897	–	897
Other liabilities [6, 7]	1,443	(196)	1,247	1,350	–	1,350
Non-participating shares and perpetual preferred shares	4,180	–	4,180	4,180	–	4,180
Total holding company liabilities and non-participating shares	6,520	(196)	6,324	6,427	–	6,427
Net value						
Participating shareholders' equity (IFRS) / Adjusted net asset value (non-IFRS)	23,760	47,338	71,098	23,082	31,444	54,526
Per share	37.74		112.94	36.31		85.77

[1] The Corporation's share of GBL's reported net asset value was $3.7 billion (€2.3 billion) at June 30, 2026 ($3.9 billion (€2.4 billion) at December 31, 2025).

[2] The management company of Sagard is presented at its fair value. The management company of Power Sustainable is presented at its carrying value.

[3] Certain comparatives have been reclassified to conform with the current presentation.

[4] Includes Power Financial's investments in Portage Ventures I and Portage Ventures II.

[5] Represents Power Financial's direct and indirect investments in Wealthsimple, net of carried interest payable to Sagard on its investment in Wealthsimple. Excludes investment in Wealthsimple held by other entities within the Power group.

[6] 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.

[7] Other liabilities includes an adjustment in the net asset value to remove the impact of the purchase obligation under the automatic share purchase plan at June 30, 2026, as it relates to purchases of Subordinate Voting Shares under the NCIB subsequent to quarter-end.

Investments measured at market value and cash represent 93.5% of the total assets at fair value at June 30, 2026 (92.4% at December 31, 2025). A 10% change in the market value of publicly traded investments would result in a change in the Corporation's adjusted net asset value of $7,009 million or $11.13 per share.

CASH FLOWS

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONDENSED)

The condensed cash flows of Great West, IGM and the holding company cash flows of Power Corporation and Power Financial on a combined basis, as well as the Corporation's alternative asset investment platforms, are presented below. These tables reconcile the holding company statement of cash flows to the condensed consolidated statement of cash flows of the Corporation for the six-month periods ended June 30, 2026 and 2025, which are included in Note 20 of the Interim Consolidated Financial Statements. This presentation assists the reader in assessing the cash flows of the holding company.

Six months ended June 30						2026
	Great West	IGM	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation	Power Corporation consolidated
Cash flows from:						
Operating activities	2,828	548	993	(903)	(988)	2,478
Financing activities	(1,987)	(322)	(1,516)	1,240	1,487	(1,098)
Investing activities	(51)	15	487	(809)	(447)	(805)
Effect of changes in exchange rates on cash and cash equivalents	231	–	–	8	–	239
Increase (decrease) in cash and cash equivalents	1,021	241	(36)	(464)	52	814
Cash and cash equivalents, beginning of the year	8,902	1,274	2,232	2,518	(560)	14,366
Cash and cash equivalents, at June 30	9,923	1,515	2,196	2,054	(508)	15,180

[1] Includes consolidated investment funds and their controlled investments, as well as Wealthsimple and LMPG.

Six months ended June 30						2025
	Great West	IGM	Holding company	Alternative asset investment platforms and Other [1]	Effect of consolidation	Power Corporation consolidated
Cash flows from:						
Operating activities	1,318	356	983	(147)	(872)	1,638
Financing activities	(1,600)	(453)	(1,021)	91	925	(2,058)
Investing activities	(14)	18	96	(64)	38	74
Effect of changes in exchange rates on cash and cash equivalents	(181)	–	–	9	–	(172)
Increase (decrease) in cash and cash equivalents	(477)	(79)	58	(111)	91	(518)
Cash and cash equivalents, beginning of the year	10,709	910	1,606	858	(339)	13,744
Cash and cash equivalents, at June 30	10,232	831	1,664	747	(248)	13,226

[1] Includes consolidated investment funds and their controlled investments, as well as Wealthsimple and LMPG.

Consolidated cash and cash equivalents increased by $814 million in the six-month period ended June 30, 2026, compared with a decrease of $518 million in the corresponding period in 2025.

Operating activities produced a net inflow of $2,478 million in the six-month period ended June 30, 2026, compared with a net inflow of $1,638 million in the corresponding period in 2025.

Cash flows from financing activities, which include the issuance and repayment of capital instruments, the issuance and repurchase of participating and preferred shares, the issuance and redemption of common shares, limited-life fund and redeemable units by subsidiaries, dividends paid on the participating and non-participating shares of the Corporation, dividends paid by subsidiaries to non-controlling interests and increases and repayments of obligations to securitization entities by IGM, represented a net outflow of $1,098 million in the six-month period ended June 30, 2026, compared with a net outflow of $2,058 million in the corresponding period in 2025.

Cash flows from investing activities resulted in a net outflow of $805 million in the six-month period ended June 30, 2026, compared with a net inflow of $74 million in the corresponding period in 2025.

Parts B and C of this MD&A include a discussion of the cash flows of Great West and IGM, respectively.

HOLDING COMPANY STATEMENTS OF CASH FLOWS

As Power Corporation is a holding company, corporate cash flows are primarily comprised of dividends received, income from investments and income (loss) from cash and cash equivalents, less operating expenses, financing charges, income taxes, and non-participating and participating share dividends.

The following combined statements of cash flows of Power Corporation and Power Financial present the cash flows of the holding company. This presentation has been prepared to assist the reader as it isolates the cash flows of the activities of the holding company.

Six months ended June 30	2026	2025
Operating activities of the holding company		
Dividends		
Great West	826	775
IGM	175	166
GBL	161	175
Corporate operations, net of non-cash items [1]	(169)	(133)
	993	983
Financing activities of the holding company		
Dividends paid on:		
Non-participating shares	(37)	(26)
Participating shares	(811)	(756)
Perpetual preferred shares	(71)	(70)
Issuance of subordinate voting shares	100	46
Repurchase of subordinate voting shares	(686)	(209)
Other [2]	(11)	(6)
	(1,516)	(1,021)
Investing activities of the holding company		
Distributions and proceeds from disposal of investments [3]	235	352
Disposal of Great West shares [4]	636	–
Purchase of investments	(380)	(255)
Other	(4)	(1)
	487	96
Increase (decrease) in cash and cash equivalents	(36)	58
Cash and cash equivalents, at the beginning of the year	2,232	1,606
Cash and cash equivalents, at June 30	2,196	1,664

[1] Includes changes in short-term receivables from, and payables to, investment platforms.

[2] Includes share repurchase-related expenses.

[3] Includes proceeds from the sale of direct investments in energy infrastructure in the second quarter of 2025.

[4] Through Power Financial's participation in Great West's NCIB to maintain its approximate proportionate ownership.

Cash and cash equivalents of the Corporation and Power Financial decreased by $36 million in the six-month period ended June 30, 2026, compared with an increase of $58 million in the corresponding period in 2025.

Operating activities resulted in a net inflow of $993 million in the six-month period ended June 30, 2026, compared with a net inflow of $983 million in the corresponding period in 2025. Dividends received from the publicly traded operating companies include:

Six months ended June 30		2026		2025
(in millions of dollars; except as otherwise noted)	Dividend per share	Total dividend received	Dividend per share	Total dividend received
Great West	1.3400	826	1.2200	775
IGM	1.1825	175	1.1250	166

- Total dividend received from Parjointco was $161 million (€100 million) for the period ended June 30, 2026, compared with $175 million (€112 million) for the period ended June 30, 2025. In the six-month period ended June 30, 2026, Pargesa, a subsidiary of Parjointco, retained a portion of the dividend received from GBL.

The Corporation's financing activities during the six-month period ended June 30, 2026 resulted in a net outflow of $1,516 million, compared with a net outflow of $1,021 million in the corresponding period in 2025, and included:

- Dividends paid on non-participating and participating shares by the Corporation of $848 million, compared with $782 million in the corresponding period in 2025. In the six-month period ended June 30, 2026, dividends paid on the Corporation's participating shares were $1.2800 per share, compared with $1.1750 in the corresponding period in 2025.
- Dividends paid on preferred shares by Power Financial of $71 million, compared with $70 million in the corresponding period in 2025.
- Issuance of Subordinate Voting Shares of the Corporation for $100 million pursuant to the Corporation's Executive Stock Option Plan and the Power Financial Employee Stock Option Plan, compared with issuance for an amount of $46 million in the corresponding period in 2025.
- Repurchase of Subordinate Voting Shares of $686 million, as part of the NCIB, in the six-month period ended June 30, 2026, compared with repurchase for an amount of $209 million in the corresponding period in 2025.

The Corporation's investing activities during the six-month period ended June 30, 2026 resulted in a net inflow of $487 million, compared with a net inflow of $96 million in the corresponding period in 2025. The six-month period ended June 30, 2026 includes proceeds of $636 million from the sale of Great West shares through Power Financial's participation in Great West's NCIB to maintain its approximate proportionate ownership.

Proceeds from disposal of investments and purchase of investments are comprised of investment activities of the Corporation and in its investment platforms.

The Corporation decreased its level of fixed income securities with maturities of more than three months, resulting in a net inflow of $52 million in the six-month period ended June 30, 2026, compared with a net inflow of $92 million in the corresponding period in 2025.

CAPITAL MANAGEMENT

As a holding company, Power Corporation's objectives in managing its capital are to:

- provide attractive long-term returns to shareholders of the Corporation;
- provide sufficient financial flexibility to pursue its growth strategy to invest on a timely basis in its operating companies and other investments as opportunities arise;
- maintain a capital structure that matches the long-term nature of its investments by maximizing the use of permanent capital;
- maintain an appropriate credit rating to ensure stable access to the capital markets; and
- maintain a prudent amount of available cash and cash equivalents.

The Corporation manages its capital taking into consideration the risk characteristics and liquidity of its holdings. In order to maintain or adjust its capital structure, the Corporation may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue capital.

The Board of Directors of the Corporation is responsible for capital management. Management of the Corporation is responsible for establishing capital management procedures and for implementing and monitoring its capital plans. The Board of Directors of the Corporation reviews and approves capital transactions such as the issuance, redemption and repurchase of participating shares, non-participating shares and debentures. The boards of directors of the Corporation's subsidiaries, as well as those of Parjointco and GBL, oversee and have the responsibility for their respective company's capital management.

With the exception of debentures and other debt instruments, the Corporation's capital is permanent, matching the long-term nature of its investments. The capital structure of the Corporation consists of: debentures, non-participating shares, participating shareholders' equity, and non-controlling interests. The Corporation views non-participating shares as a cost-effective source of permanent capital.

The Corporation's consolidated capitalization includes the debentures, preferred shares and other equity instruments, and other debt instruments issued by its consolidated subsidiaries. Debentures and other debt instruments issued by Power Financial, Great West, IGM and consolidated investment funds and other are non-recourse to the Corporation. The Corporation does not guarantee debt issued by its subsidiaries. Non-participating shares and total equity accounted for 73% of consolidated capitalization at June 30, 2026.

	June 30, 2026	December 31, 2025
Debentures and other debt instruments		
Power Corporation	647	647
Power Financial	250	250
Great West	8,965	8,792
IGM	2,800	2,400
Consolidated investment funds and Other [1]	4,695	4,146
Effect of consolidation	(88)	(88)
	16,622	15,500
	17,269	16,147
Non-participating shares and other equity instruments		
Power Corporation	1,350	1,350
Power Financial	2,830	2,830
Great West	4,620	4,420
	7,450	7,250
	8,800	8,600
Equity		
Participating shareholders' equity	23,760	23,082
Non-controlling interests [2]	13,928	13,366
	37,688	36,448
	63,757	61,195

[1] Includes other debt instruments of consolidated investment funds and their controlled investments; consists of $1,030 million ($613 million in 2025) of debt including revolving credit facilities and mortgages on investment properties held by the investment funds and other subsidiaries, and $3,665 million ($3,287 million in 2025) of project-related debt held within the Power Sustainable Energy Infrastructure platform. The other debt instruments are secured by the assets of the controlled investments which are non-recourse to the Corporation. The other debt instruments held by LMPG have been classified as held for sale as at June 30, 2026, and are included in other liabilities on the consolidated balance sheet ($246 million in 2025). See Note 9 B) of the Interim Consolidated Financial Statements for additional information.

[2] Represents the non-controlling equity interests of the Corporation's subsidiaries excluding Power Financial and Great West's preferred shares and limited recourse capital notes, which are shown in this table as non-participating shares.

Power Corporation

- The Corporation filed a short-form base shelf prospectus dated November 19, 2024, pursuant to which, for a period of 25 months thereafter, the Corporation may issue First Preferred Shares, Subordinate Voting Shares, subscription receipts and unsecured debt securities, or any combination thereof. This filing provides the Corporation with the flexibility to access debt and equity markets on a timely basis.
- The Corporation commenced an NCIB on March 1, 2026 which is effective until the earlier of February 28, 2027 and the date on which the Corporation has purchased the maximum permitted number of Subordinate Voting Shares. Refer to the section "Participating Shareholders' Equity" for more information.

Power Financial

- Power Financial filed a short-form base shelf prospectus dated November 28, 2024, pursuant to which, for a period of 25 months thereafter, Power Financial may issue up to an aggregate of $3 billion of First Preferred Shares and unsecured debt securities, or any combination thereof. This filing provides the Corporation with the flexibility to access debt and equity markets on a timely basis through Power Financial.

Great West

- On June 22, 2026, Great West issued 8,000,000 5.70% Non-Cumulative First Preferred Shares, Series 24 at $25.00 per share for gross proceeds of $200 million.

SUBSEQUENT EVENT

- On July 7, 2026, Great West issued €500 million (C$810 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.

IGM Financial

- On June 2, 2026, IGM issued $200 million 4.407% debentures due June 2, 2036 and $200 million 5.002% debentures due June 2, 2056. The net proceeds of the offering were used by IGM to fund the early redemption on July 2, 2026, subsequent to quarter-end, of all of its outstanding $400 million aggregate principal amount of 3.44% debentures due January 26, 2027.

The Corporation itself is not subject to externally imposed regulatory capital requirements; however, Great West and certain of its main subsidiaries, certain of IGM's subsidiaries and certain of the Corporation's other subsidiaries are subject to regulatory capital requirements. Parts B and C of this MD&A further describe the capital management activities of Great West and IGM, respectively. See Note 22 to the Corporation's 2025 Consolidated Financial Statements for additional information.

RATINGS

The current rating by Standard & Poor's (S&P) of the Corporation's debentures is "A+" with a stable outlook. Morningstar DBRS' current rating on the Corporation's debentures is "A" with a stable rating trend.

Credit ratings are intended to provide investors with an independent measure of the credit quality of the securities 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. Descriptions of the rating categories for each of the agencies set forth below have been obtained from the respective rating agencies' websites. These ratings are not a recommendation to buy, sell or hold the securities of a corporation 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 organization.

The "A+" rating assigned to the Corporation's debentures by S&P is the fifth highest of the 22 ratings used for long-term debt. A long-term debenture rated "A+" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories; however, the obligor's capacity to meet its financial commitment on the obligation is still strong.

The "A" rating assigned to the Corporation's debentures by Morningstar DBRS is the sixth highest of the 26 ratings used for long-term debt. A long-term debenture rated "A" implies that the capacity for repayment is substantial, but of lesser credit quality than AA, and may be vulnerable to future events, although qualifying negative factors are considered manageable.

The current rating by S&P of Power Financial's debentures is "A+" with a stable outlook. Morningstar DBRS' current rating on Power Financial's debentures is "A (High)" with a stable trend.

Parts B and C of this MD&A provide information on the ratings of the debentures of Great West and IGM, respectively.

RISK MANAGEMENT

Power Corporation is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses including a portfolio of alternative asset investment platforms. The Corporation, through Power Financial, holds a controlling interest in Great West and IGM and also holds a joint controlling interest in Parjointco, which itself holds a controlling interest in GBL. As a result, the Corporation bears the risks associated with being a significant shareholder of these operating companies. A complete description of these risks is presented in their public disclosures. The respective boards of directors of Great West, IGM and GBL are responsible for the risk oversight function at their respective companies. The risk committees of the boards of directors of Great West and IGM are responsible for their risk oversight. Certain officers of the Corporation are members of these boards and their committees, including the risk committees, and, consequently, in their role as directors, they participate in the risk oversight function at the operating companies. Parts B and C of this MD&A further describe risks related to Great West and IGM, respectively.

RISK OVERSIGHT

The Corporation believes that a prudent approach to risk is achieved through a governance model that focuses on the active oversight of its investments. Management, under the Board of Directors' oversight, is responsible for risk management associated with the investment activities and operations of the holding company and maintains a comprehensive and appropriate set of policies and controls.

The Board of Directors provides oversight over risk management primarily through the following committees:

- The Audit Committee addresses risks related to financial reporting, cybersecurity and the use of artificial intelligence.
- The Human Resources Committee considers risks associated with the Corporation's compensation policies and practices.
- The Governance and Sustainability Committee oversees the Corporation's approach to appropriately address potential risks related to governance and sustainability matters.
- The Related Party and Conduct Review Committee reviews and considers for approval transactions with related parties of the Corporation.

There are certain risks inherent in an investment in the securities of the Corporation as well as in its activities, and investors should carefully consider these risks before investing in securities of the Corporation. The 2025 Annual MD&A reviews certain risks that could impact the financial condition and financial performance, and the value of the equity of the Corporation. This description of risks does not include all possible risks, and there may be other risks of which the Corporation is not currently aware.

During the six-month period ended June 30, 2026, there were no significant changes to the Corporation's risk oversight approach, and to the identification and management of the specific risks.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

FAIR VALUE MEASUREMENT

At June 30, 2026, there have been changes to the carrying amounts and fair value of the Corporation and its subsidiaries' assets and liabilities recorded at fair value since December 31, 2025. These changes did not have a material impact on the financial condition of the Corporation and its subsidiaries. See Note 19 to the Corporation's Interim Consolidated Financial Statements for additional disclosure of the Corporation's fair value measurement.

DERIVATIVE FINANCIAL INSTRUMENTS

In the course of their activities, the Corporation and its subsidiaries use derivative financial instruments. When using such derivatives, they only act as limited end-users and not as market makers in such derivatives.

The use of derivatives is monitored and reviewed on a regular basis by senior management of the Corporation and by senior management of its subsidiaries. The Corporation and its subsidiaries have each established operating policies, guidelines and procedures relating to the use of derivative financial instruments, which in particular focus on:

- prohibiting the use of derivative instruments for speculative purposes;
- documenting transactions and ensuring their consistency with risk management policies;
- demonstrating the effectiveness of the hedging relationships; and
- monitoring the hedging relationships.

There were no major changes to the Corporation and its subsidiaries' policies and procedures with respect to the use of derivative instruments in the six-month period ended June 30, 2026. The following table provides a summary of the Corporation and its subsidiaries' derivatives portfolio:

	June 30, 2026			December 31, 2025		
	Notional	Maximum credit risk	Total fair value	Notional	Maximum credit risk	Total fair value
Power Corporation	365	131	131	509	258	257
Power Financial	26	42	42	36	32	32
Great West	76,077	2,111	(802)	70,777	1,863	(549)
IGM	929	81	70	1,766	70	55
Other subsidiaries	3,295	62	43	3,192	67	57
	80,327	2,296	(647)	75,771	2,032	(405)
	80,692	2,427	(516)	76,280	2,290	(148)

During the six-month period ended June 30, 2026, there was an increase of $4.4 billion in the notional amount of derivatives outstanding, primarily due to increases in volume of hedging activities by Great West. The Corporation and its subsidiaries' exposure to derivative counterparty risk (which represents the current fair value of instruments in a gain position) increased to $2,427 million at June 30, 2026 from $2,290 million at December 31, 2025.

Parts B and C of the 2025 Annual MD&A provide information on the types of derivative financial instruments used by Great West and IGM, respectively.

See Note 28 to the Corporation's 2025 Consolidated Financial Statements for additional information.

OFF-BALANCE SHEET ARRANGEMENTS

GUARANTEES

In the normal course of their operations, the Corporation and its subsidiaries may enter into certain agreements, the nature of which precludes the possibility of making a reasonable estimate of the maximum potential amount the Corporation or subsidiary could be required to pay third parties, as some of these agreements do not specify a maximum amount and the amounts are dependent on the outcome of future contingent events, the nature and likelihood of which cannot be determined. See also Note 34 to the Corporation's 2025 Consolidated Financial Statements.

LETTERS OF CREDIT

In the normal course of its reinsurance business, Great West provides letters of credit to other parties or beneficiaries. A beneficiary will typically hold a letter of credit as collateral to secure statutory credit for insurance and investment contract liabilities ceded to or amounts due from Great West. Great West may be required to seek collateral alternatives if it is unable to renew existing letters of credit on maturity. See also Part B of this MD&A.

Potentia and Power Sustainable Energy Infrastructure have issued letters of credit to support required lender reserves, performance guarantees for operating solar and wind assets, and commitments for projects under construction.

See also Note 34 to the Corporation's 2025 Consolidated Financial Statements.

CONTINGENT LIABILITIES

The Corporation and its subsidiaries are from time to time subject to legal actions, including arbitrations and class actions, arising in the normal course of business. It is inherently difficult to predict the outcome of any of these proceedings with certainty, and it is possible that an adverse resolution could have a material adverse effect on the consolidated financial position of the Corporation. However, based on information presently known, it is not expected that any of the existing legal actions, either individually or in the aggregate, will have a material adverse effect on the consolidated financial position of the Corporation. See also Parts B and C of this MD&A and Note 33 to the Corporation's 2025 Consolidated Financial Statements.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

At June 30, 2026, there have been no material changes in the contractual obligations of the Corporation and its subsidiaries from those reported in the 2025 Annual MD&A, except for:

- Great West has entered into an 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. Refer to the section "Great West" for additional information.

SUMMARY OF CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the preparation of the financial statements, management of the Corporation and managements of its subsidiaries are required to make significant judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, net earnings, comprehensive income and related disclosures. The results of the Corporation reflect the judgments of the managements of the Corporation and of its subsidiaries regarding the impact of prevailing market conditions related to global credit, equities, investment properties and foreign exchange, as well as, with respect to Great West, prevailing health and mortality experience. Key sources of estimation, uncertainty and areas where significant judgments are made by the management of the Corporation and the managements of its subsidiaries include: the entities to be consolidated or accounted for using the equity method, fair value measurements, expected credit losses, valuation of goodwill and intangible assets, valuation of insurance contract liabilities, income taxes and pension plans and other post-employment benefits. These are described in the Corporation's 2025 Annual MD&A and the notes to the Corporation's 2025 Consolidated Financial Statements.

CHANGES IN ACCOUNTING POLICIES

There were no changes to the Corporation's accounting policies from those reported at December 31, 2025, except for:

The Corporation 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.

These amendments did not impact the financial statements of the Corporation, except as indicated below:

- The Corporation 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 Corporation 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 Corporation derecognized the associated liabilities on the settlement date. The adoption of this amendment did not have a material impact on the financial statements.

These amendments are applied retrospectively and the comparative information has not been restated.

FUTURE ACCOUNTING CHANGES

The Corporation and its subsidiaries actively monitor changes in IFRS, both proposed and released, by the IASB and analyze the effect that changes in the standards may have on the consolidated financial statements when they become effective.

There have been no significant changes to the standards released and updates to the future accounting changes from those disclosed in Note 2 to the Corporation's 2025 Consolidated Financial Statements.

TRANSACTIONS WITH RELATED PARTIES

Power Corporation has a Related Party and Conduct Review Committee composed entirely of Directors who are independent of management and independent of the Corporation's controlling shareholder. The mandate of this committee is to review proposed transactions with related parties of the Corporation, including its controlling shareholder, and to approve only those transactions that it deems appropriate and that are done at market terms and conditions.

In the normal course of business, Power Corporation and its subsidiaries enter into various transactions which include capital commitments to investment funds, including commitments from management, performance and base management fees paid to subsidiaries of the group, employee ownership participations and loans to subsidiaries and employees. The alternative asset investment platforms also provide management of debt instruments, sub-advisory and property management services to other subsidiaries within the group. Such transactions are at market terms and conditions and are reviewed by the appropriate related party and conduct review committee.

In the normal course of business, Canada Life and other Great West subsidiaries enter into various transactions with related companies which include providing group insurance benefits and sub-advisory services to other companies within the Power Corporation group of companies. Such transactions are at market terms and conditions. These transactions are reviewed by the appropriate related party and conduct review committee.

Great West provides asset management, employee benefits and administrative services for employee benefit plans relating to pension and other post-employment benefits for its employees, employees of its subsidiaries, and employees of Power Corporation and Power Financial. These transactions are at market terms and conditions and are reviewed by the appropriate related party and conduct review committee.

IGM enters into transactions with subsidiaries of Great West. These transactions are in the normal course of operations and include i) providing certain administrative services; ii) distributing insurance products; and iii) sub-advisory services. These transactions are at market terms and conditions and are reviewed by the appropriate related party and conduct review committee.

Great West renewed its NCIB commencing January 6, 2026 and terminating January 5, 2027 to purchase for cancellation up to but not more than 20 million of its common shares at market prices. Great West has amended its current NCIB to increase the maximum number of common shares that may be repurchased from 20 million common shares to 40 million common shares. The amendment is expected to become effective on July 31, 2026. The amended NCIB continues to permit Great West to repurchase its shares from Power Financial and certain of Power Financial's wholly owned subsidiaries in connection with the NCIB pursuant to an automatic disposition plan, in order for Power Financial to maintain its approximate proportionate percentage ownership in Great West. During the six-month period ended June 30, 2026, Great West repurchased and subsequently cancelled 9.2 million common shares held by Power Financial under the NCIB for proceeds of $636 million. Refer to the section "Great West" for additional information.

During the first quarter of 2026, SHMI completed an equity financing round to partially fund the acquisition of Unigestion. The Corporation, Great West and management of SHMI invested an additional US$85.5 million in SHMI, acquiring a combined fully diluted equity interest of 10.1%. The Corporation also provided debt financing of US$50 million to SHMI, at market terms. Refer to the section "Sagard and Power Sustainable" for additional information.

See Note 32 to the Corporation's 2025 Consolidated Financial Statements for additional information.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Corporation's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and that the preparation of financial statements for external purposes is in accordance with IFRS, as issued by the IASB. The Corporation's management, under the supervision of the Chief Executive Officer and the Chief Financial Officer, 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.

As a management and holding company, the Corporation's business activities are carried out through its investments in businesses, each of which has its own management team. Accordingly, the Corporation's management relies on the certifications filed by management of Great West and IGM pursuant to National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, as well as a sub-certification process by management at its other significant subsidiaries and investees in order to make determinations regarding the Corporation's disclosure controls and procedures and internal control over financial reporting.

There have been no changes in the Corporation's internal control over financial reporting during the three-month period ended June 30, 2026 which have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

POWER FINANCIAL CORPORATION

Power Financial relies on certain of the continuous disclosure documents filed by Power Corporation of Canada pursuant to an exemption from the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* and as provided in the decision of the Autorité des marchés financiers and the Ontario Securities Commission, dated September 10, 2024, regarding Power Financial and Power Corporation (the Decision). The following disclosure is provided further to the requirements of the Decision:

At June 30, 2026	Great West	IGM	Corporate and other [1]	Effect of consolidation	Total Power Financial	Total Power Corporation
Total assets	946,011	21,780	68,112	(27,451)	1,008,452	1,019,330
Total liabilities	911,409	12,400	39,266	(598)	962,477	972,842

[1] Includes Power Financial's investment activities including its investment in Portage Ventures I, Portage Ventures II and Wealthsimple.

For the twelve-month period ended June 30, 2026	Power Financial	Power Corporation
Cash flows from operations	5,684	5,620

Further to the Decision, the earnings coverage ratios set forth below have been prepared in accordance with Item 6.1 of Form 44-101F1 – *Short Form Prospectus*:

For the twelve-month period ended June 30, 2026	Net earnings of Power Financial	Net earnings attributable to shareholders of Power Financial
Earnings coverage ratio (preferred shares (and debt)) [1]	7.4	5.4
Earnings coverage ratio (debt) [2]	13.4	9.7

[1] The earnings coverage ratio (preferred shares (and debt)) is calculated based on net earnings of Power Financial before financing charges and income taxes for the twelve months ended June 30, 2026, divided by the aggregate dividend and financing charge requirements for this period. Power Financial's annualized dividend requirements on all of its preferred shares, including those of subsidiaries, have been adjusted to a pre-tax equivalent using an effective income tax rate of 18.2% for the twelve months ended June 30, 2026.

[2] The earnings coverage ratio (debt) is calculated based on net earnings of Power Financial before financing charges and income taxes for the twelve months ended June 30, 2026, divided by the aggregate financing charge requirements for this period.

NON-IFRS FINANCIAL MEASURES

DEFINITIONS

This MD&A presents and discusses financial measures which are not in accordance with IFRS. 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 readers in their analysis of the results of the Corporation. See also "Statement Regarding Non-IFRS Financial Measures and Other Measures". The non-IFRS financial measures and non-IFRS ratios used in this MD&A are defined as follows:

Non-IFRS financial measure	Definition	Purpose
Adjusted net earnings [1]	Net earnings [1] excluding Adjustments.	Assists in the comparison of the current period's underlying operating performance to that of previous periods as it reflects management's view of the operating performance of the Corporation and its subsidiaries, excluding items that are not considered to be part of the underlying business results. As a holding company, management reviews and assesses the performance of each operating company's contribution to net earnings and adjusted net earnings.
Adjustments	After-tax impact of any item that in management's judgment, including those identified by management of Great West and IGM, would make the period-over-period comparison of results from operations less meaningful. Adjustments include the Corporation's share of Great West's impact of: ▪ 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; ▪ 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 management of a subsidiary or a jointly controlled corporation, including: ▪ business transformation and other impacts (including restructuring or reorganization and integration costs, acquisition and divestiture costs); ▪ material legal settlements; ▪ material impairment charges; ▪ material impacts of the remeasurement of deferred tax assets and liabilities including those as a result of income tax rate changes, and other tax impairments; ▪ certain non-recurring material items, net gains, losses or costs related to the disposition or acquisition of a business, including those related to an investment in an associate or jointly controlled corporation; ▪ impacts related to remeasurements due to market changes that result in an accounting mismatch including the remeasurement of derivatives where the hedged item is not also measured at fair value and hedge accounting is not applied, and the revaluation of redemption liabilities, share warrants and conversion options on convertible and exchangeable debt obligations; ▪ the impact of the revaluation of non-controlling interests liabilities related to PSEIP which result from changes in fair value of assets held within the fund, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors; and ▪ other items that, when removed, assist in explaining underlying operating performance.	Identifies items that are not considered part of operating performance by management, including items identified by management of Great West and IGM.

[1] Attributable to participating shareholders of Power Corporation.

Non-IFRS financial measure	Definition	Purpose
Adjusted net asset 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 less their net debt and preferred shares. The investments held in publicly traded entities (including Great West, 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. The definition of adjusted net asset value involves a number of assumptions, judgments and estimates that may prove to be inaccurate, and the adjusted net asset value per share is not a representation or guarantee of the value a participating shareholder will be able to realize.	Presents the fair value of the participating shareholders' equity of the holding company and is used to assist in assessing value. This measure may be used by investors and analysts in determining or comparing the fair value of investments held by the holding company or its overall fair value.
Consolidated assets under management and advisement, and **Consolidated assets and assets under administration**	Consolidated assets under management and advisement includes assets managed on behalf of clients which are beneficially owned by clients including: ▪ Internally and externally managed funds, including proprietary mutual funds, exchange-traded funds and institutional assets, where the Corporation's publicly traded operating companies and alternative asset investment platforms have oversight of the investment policies; and ▪ The fair value of assets managed on behalf of the clients by asset managers controlled within the investment platforms, including assets managed through a separately managed account. Services provided in respect of assets under management and advisement include the selection of investments, the provision of investment advice, discretionary portfolio management on behalf of clients and/or the provision of financial advice. Consolidated assets and assets under administration includes consolidated assets under management and advisement, assets under administration only, and other assets on the balance sheet. Assets under administration only includes assets where the Corporation's consolidated publicly traded operating companies and investment management services businesses only provide administration services for which they earn fees and other income. These assets are beneficially owned by the clients and the Corporation's operating subsidiaries do not direct the investing activities. Services provided relating to assets under administration only include record keeping, safekeeping, collecting investment income, settling of transactions or other administrative services. Other balance sheet assets include insurance contract assets, reinsurance contract assets, goodwill and intangible assets, other assets, as well as the portion of investments (including investments in jointly controlled corporations and associates) and investments on account of segregated fund policyholders not included within consolidated assets under management and advisement.	Consolidated assets under management and advisement and Consolidated assets and assets under administration provide an indicator of the size and volume of the Corporation's consolidated businesses, including the publicly traded operating companies and alternative asset investment platforms. Consolidated assets and assets under administration includes assets in which the Corporation's consolidated publicly traded operating companies and investment management services businesses only provide administration services, which are an important aspect of the overall business and should be considered when comparing volumes, size and trends.
Fee-related earnings (of alternative asset investment platforms)	Fee-related earnings is presented for Sagard and Power Sustainable and includes management fees and fee-related performance revenues earned across all asset classes, less investment platform expenses which include i) fee-related compensation including salary, bonus, and benefits, and ii) operating expenses. Fee-related performance revenues represents the realized portion of performance revenues from perpetual capital vehicles that are i) measured and expected to be received on a recurring basis, ii) not dependent on realization events from underlying investments, and iii) not subject to clawback. 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 finite life intangible assets, 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.	This measure is presented for the alternative asset investment platforms, Sagard and Power Sustainable, and is used to assess the profitability from their asset management activities. This financial measure provides insight as to whether recurring revenues from management fees and fee-related performance revenues, which are not based on future realization events, are sufficient to cover associated operating expenses.

Non-IFRS ratio	Definition	Purpose
Adjusted net earnings per share	Earnings per share calculated using adjusted net earnings. Adjusted net earnings divided by the weighted average number of participating shares outstanding.	Assists in comparing adjusted net earnings on a per share basis; refer to "Adjusted net earnings" definition above.
Adjusted net asset value per share	Adjusted net asset value calculated on a per share basis. Adjusted net asset value divided by the number of participating shares outstanding at the end of the reporting period.	Assists the reader in comparing the adjusted net asset value on a per share basis; refer to "Adjusted net asset value" definition above.

These non-IFRS financial measures do not have a standard meaning and may not be comparable to similar measures used by other entities.

RECONCILIATIONS OF IFRS AND NON-IFRS FINANCIAL MEASURES

Adjusted Net Earnings

The following table presents a reconciliation of adjusted net earnings, a non-IFRS financial measure, to net earnings reported in accordance with IFRS. Adjusted net earnings is presented in the section "Contribution to Net Earnings and Adjusted Net Earnings":

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Adjusted net earnings - Non-IFRS financial measure [1]	974	905	883	1,879	1,670
Share of Adjustments [2], net of tax					
Great West	(197)	(44)	(168)	(241)	(286)
IGM	(43)	(1)	8	(44)	6
GBL	–	–	–	–	22
Sagard and Power Sustainable	(16)	(40)	49	(56)	37
Corporate operations and Other	(28)	–	–	(28)	12
	(284)	(85)	(111)	(369)	(209)
Net earnings - IFRS financial measure [1]	690	820	772	1,510	1,461

[1] Attributable to participating shareholders of Power Corporation.

[2] Refer to the section "Adjustments" for more details on Adjustments from Great West, IGM, GBL, Sagard and Power Sustainable and Corporate operations and Other.

Adjustments (excluded from Adjusted net earnings)

The following table presents the Corporation's share of Adjustments on a pre- and post-tax basis:

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Great West [1]					
Market experience relative to expectations (pre-tax)	(152)	21	(80)	(131)	(157)
Income tax (expense) benefit	37	(10)	8	27	23
Assumption changes and management actions (pre-tax)	(18)	1	(3)	(17)	(32)
Income tax (expense) benefit	2	1	1	3	8
Business transformation and other impacts (pre-tax) [2]	(6)	(29)	(124)	(35)	(133)
Income tax (expense) benefit	2	7	41	9	43
Amortization of acquisition-related finite life intangible assets (pre-tax)	(32)	(31)	(34)	(63)	(69)
Income tax (expense) benefit	8	8	8	16	18
Tax legislative changes and other tax impacts	–	3	–	3	–
Income tax (expense) benefit	–	(3)	8	(3)	8
	(159)	(32)	(175)	(191)	(291)
Effect of consolidation (pre-tax) [3]	(41)	(12)	7	(53)	5
Income tax (expense) benefit	3	–	–	3	–
	(197)	(44)	(168)	(241)	(286)
IGM [1]					
Restructuring and other (pre-tax)	(61)	–	–	(61)	–
Income tax (expense) benefit	16	–	–	16	–
Rockefeller equity compensation (pre-tax)	(1)	–	–	(1)	–
Income tax (expense) benefit	–	–	–	-	–
Gain on partial sale of investment in associates (pre-tax)	7	–	–	7	–
Income tax (expense) benefit	(1)	–	–	(1)	–
Share of Great West adjustments (pre-tax)	(4)	–	(4)	(4)	(6)
	(44)	–	(4)	(44)	(6)
Effect of consolidation (pre-tax) [3]	1	(1)	14	–	14
Income tax (expense) benefit	–	–	(2)	–	(2)
	(43)	(1)	8	(44)	6
GBL					
Affidea's gain on debt modification (pre-tax and post-tax)	–	–	–	–	22
Sagard and Power Sustainable					
Revaluation of Sagard NCI liabilities (pre-tax)	(24)	–	–	(24)	–
Income tax (expense) benefit	1	–	–	1	–
Revaluation of PSEIP NCI liabilities and other market-related impacts (pre-tax)	7	(40)	38	(33)	24
Income tax (expense) benefit	–	–	11	–	13
	(16)	(40)	49	(56)	37
Corporate operations and Other					
Impairment charge on LMPG	(28)	–	–	(28)	–
LMPG remeasurement of deferred tax liabilities	–	–	–	–	12
	(28)	–	–	(28)	12
	(284)	(85)	(111)	(369)	(209)

[1] As reported by Great West and IGM.

[2] Business transformation and other impacts include acquisition and divestiture costs as well as restructuring and integration costs.

[3] The Effect of consolidation reflects i) the elimination of intercompany transactions; and ii) the application of the Corporation's accounting method for investments under common ownership to the Adjustments reported by Great West and IGM, including a realized gain recognized by IGM in the second quarter of 2025 on the sale of a portion of its interest in Conquest, a corporate investment classified by IGM as FVOCI.

Adjusted Net Asset Value

The following table presents a reconciliation of the participating shareholders' equity reported in accordance with IFRS to the adjusted net asset value, a non-IFRS financial measure. Adjusted net asset value is presented in the section "Adjusted Net Asset Value":

	June 30, 2026	December 31, 2025
Participating shareholders' equity – IFRS financial measure		
Share capital – participating shares	9,123	9,159
Retained earnings	11,377	11,674
Reserves	3,260	2,249
	23,760	23,082
Fair value adjustments [1]		
Great West	37,433	24,910
IGM	7,272	4,807
GBL	(246)	(600)
Sagard and Power Sustainable	2,689	2,324
Other investments [2]	(6)	3
Adjustments to Other liabilities [1]	196	–
	47,338	31,444
Adjusted net asset value – Non-IFRS financial measure	71,098	54,526
Per share [3]		
Participating shareholders' equity (book value)	37.74	36.31
Adjusted net asset value	112.94	85.77

[1] Refer to the section "Adjusted Net Asset Value" for more details on the fair value and other adjustments.

[2] Certain comparatives have been reclassified to conform with the current presentation.

[3] Attributable to participating shareholders.

Consolidated Assets Under Management and Advisement, and Consolidated Assets and Assets Under Administration

(in billions of dollars)	June 30, 2026	December 31, 2025
Total consolidated assets under management and advisement	1,624	1,433
Assets under administration only	2,557	2,267
	4,181	3,700
Other assets on balance sheets	279	271
Total consolidated assets and assets under administration	4,460	3,971
of which: total balance sheet assets	*1,019*	*926*

Fee-related earnings (of alternative asset investment platforms)

The following table presents the reconciliation of the net earnings attributable to participating shareholders of Power Corporation in accordance with IFRS to the fee-related earnings of the alternative asset investment platforms, a non-IFRS financial measure. Fee-related earnings is presented in the section "Asset Management Activities" of the section "Sagard and Power Sustainable".

	Three months ended			Six months ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net earnings attributable to participating shareholders of Power Corporation - IFRS financial measure	690	820	772	1,510	1,461
Excluding:					
Contribution to net earnings from Great West	(665)	(802)	(627)	(1,467)	(1,207)
Contribution to net earnings from IGM	(157)	(172)	(152)	(329)	(299)
Contribution to net earnings from GBL	5	(20)	15	(15)	(10)
Contribution to net earnings from Great West, IGM and GBL	(817)	(994)	(764)	(1,811)	(1,516)
Contribution to net earnings from Corporate operations and Other [1]	140	116	134	256	219
Contribution to net earnings from Alternative Asset Investment Platforms and Other	13	(58)	142	(45)	164
Excluding:					
Investing activities	(28)	43	(148)	15	(180)
Contribution to net earnings from Asset Management Activities	(15)	(15)	(6)	(30)	(16)
Adjustments:					
Sagard					
Non-controlling interests	(10)	(4)	12	(14)	4
Loss (earnings) from private wealth platform and other asset management activities	–	1	–	1	–
Net carried interest	(37)	(6)	(30)	(43)	(34)
Share-based compensation	2	5	1	7	7
Amortization of intangibles	9	4	2	13	3
Acquisition-related costs [2]	1	4	4	5	6
Change in fair value of NCI liabilities [3]	54	(2)	(2)	52	(2)
Income taxes and other	(9)	(4)	2	(13)	1
Power Sustainable					
Non-controlling interests	(2)	(1)	(1)	(3)	(3)
Loss (earnings) from development and asset management activities provided by Potentia and Nautilus on behalf of PSEIP	4	7	3	11	1
Net carried interest	(2)	(3)	4	(5)	7
Share-based compensation	1	–	2	1	2
	11	1	(3)	12	(8)
Fee-related earnings (loss) - Non-IFRS financial measure	(4)	(14)	(9)	(18)	(24)
Sagard	*2*	*(7)*	*(3)*	*(5)*	*(11)*
Power Sustainable	*(6)*	*(7)*	*(6)*	*(13)*	*(13)*

[1] Certain comparatives have been reclassified to conform with the current presentation.

[2] Includes transaction and restructuring costs, and changes in fair value related to contingent consideration.

[3] Includes the revaluation adjustment on SHMI's non-controlling interests liabilities in BEX, resulting from a positive revision to earnings expectations.

OTHER MEASURES

This MD&A also includes other measures, which include:

Term	Definition
Accumulated unrealized carried interest	Accumulated unrealized carried interest generated represents the carried interest that would be receivable under the contractual fund agreements at the respective fair value of each fund investment at the period-end date, assuming the fund was liquidated and all underlying investments were realized at those fair values on that date. Accumulated unrealized carried interest includes amounts that have been recognized under IFRS as well as amounts that have not been recognized. This measure provides insight into the potential carried interest that may be realized in the future based on the current investment performance.
Assets under management and administration	Operating asset management and investment management services businesses within the Power group, including IGM, alternative asset managers and Wealthsimple, present the total value of assets managed or administered which are beneficially owned by clients and are not recognized in the consolidated financial statements. The composition of the assets under management and administration is relative to the activities of the asset managers and are further defined as follows:
Assets under management and advisement (AUM&A) of IGM	AUM&A represents the consolidated AUM and AUA of IGM's core businesses IG Wealth Management and Mackenzie Investments. In IGM's Wealth Management segment, AUM is a component part of AUA. Assets under management are client assets where IGM provides investment management services, and include investment funds where IGM is the fund manager, investment advisory mandates to institutions, and other client accounts where IGM has discretionary portfolio management responsibilities. Assets under advisement represents savings and investment products held within the client accounts of IGM's Wealth Management segment's core business.
Assets under management and advisement excluding non-fee-bearing assets (AUM&A excluding non-fee-bearing assets) of IGM	Represents IGM's AUM&A excluding non-fee-bearing assets which are institutional client assets for which IGM does not earn ongoing advisory fees. IGM includes these assets in its AUM&A for reporting completeness but they do not contribute to its recurring fee revenue.
Assets under management and advisement including strategic investments (AUM&A including SI) of IGM	AUM&A including SI represents IGM's AUM&A including its proportionate share of the AUM&A of strategic investments, based on IGM's interest in the strategic investments. The strategic investments included are those whose activities are primarily in asset and wealth management, and include interests in ChinaAMC, Northleaf, Rockefeller and Wealthsimple. Rockefeller client assets include assets under management and advisement as well as assets held for investment purposes and only receiving administrative services.
Assets under management of alternative asset investment platforms	Assets under management of investment platforms include: ▪ Net asset value of the investment funds and co-investment vehicles managed, including unfunded commitments and permanent leverage; ▪ Gross asset value of investment funds managed within the real estate platform, including unfunded commitments; and ▪ 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.
Assets under administration of Wealthsimple	Assets under administration includes the total value of assets held on behalf of clients and includes client assets in which investment management services are provided.
Book value per participating share	Represents Power Corporation's participating shareholders' equity divided by the number of participating shares outstanding at the end of the reporting period.
Capital commitments	Represents the total amount of capital that a limited partner investor has contractually agreed to contribute to an investment fund over the life of the fund. A commitment to an investment fund is a legally binding obligation and represents the maximum capital the fund manager can call from the investor over the investment period.
Carried interest	Carried interest is earned through a contractual arrangement between alternative asset managers and the funds managed in which the asset manager earns a fixed percentage of investment returns over a predetermined hurdle return.

Term	Definition
Fee-bearing capital	Fee-bearing capital includes: ▪ Total capital commitments of venture capital, private equity, and certain private credit funds during the investment period; ▪ Net invested capital of private credit funds, funds which have completed their investment period, separately managed accounts within the credit platforms and certain co-investment vehicles; ▪ Net asset value of Power Sustainable Energy Infrastructure including direct investments in energy assets, and funds within the real estate platform; and ▪ Invested capital or gross asset value of assets managed through separately managed accounts within the real estate platform. Fee-bearing capital excludes capital that is not currently subject to management fees based on the terms of the underlying funds and separately managed accounts.
Market capitalization	Represents the aggregate market value of a company. Market capitalization is determined at a point in time and represents the number of outstanding shares multiplied by the closing share price.
Net asset value reported by GBL	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 its treasury shares, less its gross debt. ▪ GBL's investments held in listed entities and treasury shares are measured at their market value, investments in private entities are measured using the recommendations of the International Private Equity and Venture Capital Valuation Guidelines, and recent investments are valued at their acquisition cost, provided that these valuations represent 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. ▪ Sienna Investment Managers' assets are valued at the fair value of the acquired management companies. For more information on GBL's net asset value and valuation principles, refer to its website (www.gbl.com).
Net asset value of investment funds	Net asset value of investment funds represents the fair value of the investments held within the fund, net of any liabilities.
Net carried interest	Represents carried interest earned, net of direct employee costs which are usually recognized over the vesting period.
Unfunded commitments	Represents the capital that has been committed by limited partners, but not called by the fund. In some cases, unfunded commitments include distributions for funds currently in the investment period, which are recallable by the fund.
Weighted average management fee rate	Represents the weighted average management fee rate charged on the fee-bearing capital across all asset classes during the period. Management fees earned during the period are divided by the average fee-bearing capital of funds, co-investment vehicles and separately managed accounts during such period. Management fees include retroactive management fees earned during the period related to the timing of subsequent fundraising closes.

ABBREVIATIONS

The following abbreviations are used throughout this report:

adidas	adidas AG
Affidea	Affidea Group B.V.
Alternative asset investment platforms or Investment platforms	Alternative Asset Investment Platforms
BEX	BEX Capital SAS
BEX Funds	BEX Fund II S.L.P., BEX Fund III S.L.P. BEX Fund IV S.L.P., and BEX Fund V S.L.P.
BIT	Borsa Italiana
Canada Life	The Canada Life Assurance Company
Canyon	Canyon Bicycles GmbH
ChinaAMC	China Asset Management Co., Ltd.
Concentrix	Concentrix Corporation
Conquest	Conquest Planning Inc.
Diagram	Diagram Corporation
Diagram Funds	Diagram Ventures LP, Diagram Ventures II LP, Diagram Ventures III LP, Diagram ClimateTech Fund LP, and Diagram Opportunity Fund I LP
EBR	Euronext Brussels
Empower	Empower Annuity Insurance Company of America
EPA	Euronext Paris
Franklin Templeton	Franklin Resources, Inc.
Frère Group	Groupe Frère / Compagnie Nationale à Portefeuille
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
GBL	Groupe Bruxelles Lambert
GMT	Global Minimum Tax
Great West	Great-West Lifeco Inc.
HalseyPoint	HalseyPoint Asset Management, LLC
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards (IFRS) Accounting Standards, as issued by the IASB
IGM or IGM Financial	IGM Financial Inc.
IG Wealth Management	IGWM Inc.
Imerys	Imerys SA
Irish Life	Irish Life Group Limited
Lion or Lion Electric	The Lion Electric Company
LMPG	LMPG Inc.
Mackenzie or Mackenzie Investments	Mackenzie Financial Corporation
Nautilus or Nautilus Solar	Nautilus Solar Energy, LLC
NCIB	Normal Course Issuer Bid
Northleaf	Northleaf Capital Group Ltd.
Ontex	Ontex Group NV
PanAgora	PanAgora Asset Management, Inc.
Pargesa	Pargesa SA
Parjointco	Parjointco SA
Parques Reunidos	Parques Reunidos Servicios Centrales, S.A.
Peak	Peak Achievement Athletics Inc.
PEM	Performance Equity Management, LLC
Performance Direct Investments Funds	Performance Direct Investments III, LP, Performance Direct Investments IV, LP, and Performance Direct Investments V, LP
Performance Venture Capital Funds	Performance Venture Capital, LP, Performance Venture Capital II, LP, Performance Venture Capital III, LP, Performance Venture Capital IV, LP, Performance Venture Capital V, LP, Performance Venture Capital VI, LP, and Performance Venture Capital Special Opportunities Fund I, LP

Pernod Ricard	Pernod Ricard SA
Portage Capital Solutions	Portage Capital Solutions Fund I LP
Portage Ventures I	Portag3 Ventures Limited Partnership
Portage Ventures Funds	Portage Ventures I, Portag3 Ventures II LP, Portage Ventures III LP, and Portage Ventures IV LP
Potentia or Potentia Renewables	Potentia Renewables Inc.
Power Financial	Power Financial Corporation
Power group	The Corporation and the subsidiaries and affiliated companies of the Corporation
Power Sustainable	Power Sustainable Capital Inc.
Power Sustainable Decarb PE	Power Sustainable Decarbonization Private Equity
Power Sustainable Energy or Power Sustainable Energy Infrastructure	Power Sustainable Energy Infrastructure Inc.
Power Sustainable Infrastructure Credit or PSIC	Power Sustainable Infrastructure Credit Manager, LP
Power Sustainable Lios	Power Sustainable Lios Inc.
Power Sustainable Manager or PSM	Power Sustainable Manager Inc.
PSEIP	Power Sustainable Energy Infrastructure Partnership
Rayner	Rayner Surgical Group
Recordati	Recordati S.p.A.
Rockefeller	Rockefeller Capital Management
Sagard	Sagard Holdings Inc.
Sagard CLO Equity	Sagard CLO Equity Fund LP
Sagard Credit Partners I	Sagard Credit Partners, LP, Sagard Credit Partners II, LP, and Sagard Credit Partners III-U, LP
Sagard Healthcare Partners	Sagard Healthcare Royalty Partners, LP
Sagard MidCap	Sagard MidCap II, Sagard MidCap 3, and Sagard MidCap 4
Sagard MidCap II	Sagard II-A FPCI and Sagard II-B FPCI
Sagard MidCap 3	Sagard 3 FPCI
Sagard MidCap 4	Sagard 4A FPCI and Sagard 4 FIPS
Sagard NewGen	Sagard NewGen FPCI and Sagard NewGen 2 FPCI
Sagard Private Credit	Sagard Private Credit LP
Sagard Private Equity Canada or SPEC	Sagard Private Equity Canada LP
Sagard Private Equity Strategies	Sagard Private Equity Strategies LP
Sagard Senior Lending Partners or SSLP	Sagard Senior Lending Partners Holdings (I and II) LP, and Sagard Senior Lending Partners Holdings (I-U and II-U) LP
Sanoptis	Sanoptis AG
SGS	SGS SA
SHMI	Sagard Holdings Management Inc.
TSARs	Tandem Share Appreciation Rights
TSX	Toronto Stock Exchange
Umicore	Umicore, NV/SA
Unigestion	Unigestion Private Equity Holding SA
Wealthsimple	Wealthsimple Financial Corp.
XETR	XETRA Stock Exchange

SUMMARY OF QUARTERLY RESULTS

	2026		2025				2024			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Insurance revenue	5,822	5,699	5,690	5,594	5,551	5,486	5,399	5,292	5,273	5,250
Net investment income	2,999	2,738	2,887	2,793	2,459	2,469	2,931	2,365	2,548	2,516
Change in FVPL on investments	2,584	(2,031)	(30)	1,780	1,085	1,406	(2,886)	6,944	(848)	(1,333)
Fee income and other revenues	3,712	3,454	3,501	3,371	3,255	3,169	3,201	2,939	2,935	2,729
Total revenues	15,117	9,860	12,048	13,538	12,350	12,530	8,645	17,540	9,908	9,162
Net earnings [1]	690	820	408	703	772	689	933	371	730	709
per share – basic	1.10	1.29	0.64	1.10	1.20	1.07	1.44	0.58	1.12	1.09
per share – diluted	1.08	1.27	0.62	1.07	1.19	1.05	1.43	0.56	1.12	1.08
Net earnings from continuing operations [1]	690	820	408	703	772	689	933	371	730	758
per share – basic	1.10	1.29	0.64	1.10	1.20	1.07	1.44	0.58	1.12	1.17
per share – diluted	1.08	1.27	0.62	1.07	1.19	1.05	1.43	0.56	1.12	1.16
Adjusted net earnings [1, 2, 3]	974	905	867	863	883	787	829	693	739	710
per share – basic [2]	1.55	1.43	1.36	1.35	1.38	1.22	1.28	1.07	1.14	1.09
Adjustments [2, 3, 4]	(284)	(85)	(459)	(160)	(111)	(98)	104	(322)	(9)	48
per share – basic [2]	(0.45)	(0.14)	(0.72)	(0.25)	(0.18)	(0.15)	0.16	(0.49)	(0.02)	0.08

[1] Attributable to participating shareholders.

[2] Adjusted net earnings attributable to participating shareholders and adjusted net earnings per share, and adjustments and adjustments per share are non-IFRS financial measures or non-IFRS ratios. Adjusted net earnings for the first quarter of 2024 is determined based on net earnings from continuing operations. For a definition of these non-IFRS financial measures, please refer to the section "Non-IFRS Financial Measures" in this MD&A.

[3] GMT legislation was enacted in Canada on June 20, 2024 and applies retroactively to January 1, 2024. As a result, the comparative results for adjusted net earnings and Adjustments for the first quarter of 2024 are presented on a pro forma basis as if the legislation had been enacted in the first quarter of 2024.

[4] The Corporation's share of Adjustments is as follows:

	2026		2025				2024			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Great West										
Pre-tax	(249)	(47)	(212)	(75)	(234)	(152)	(23)	(171)	(29)	11
Tax effect	52	3	38	18	66	34	9	28	6	20
	(197)	(44)	(174)	(57)	(168)	(118)	(14)	(143)	(23)	31
IGM										
Pre-tax	(58)	(1)	25	(1)	10	(2)	–	(3)	(3)	–
Tax effect	15	–	(12)	–	(2)	–	19	–	–	1
	(43)	(1)	13	(1)	8	(2)	19	(3)	(3)	1
GBL										
Pre-tax	–	–	(180)	(67)	–	22	–	(44)	–	–
Tax effect	–	–	–	–	–	–	–	–	–	–
	–	–	(180)	(67)	–	22	–	(44)	–	–
Sagard and Power Sustainable										
Pre-tax	(17)	(40)	(116)	(36)	38	(14)	(24)	(38)	(4)	26
Tax effect	1	–	(2)	1	11	2	12	3	–	(1)
	(16)	(40)	(118)	(35)	49	(12)	(12)	(35)	(4)	25
Corporate operations and Other [1]										
Pre-tax	(28)	–	–	–	–	–	111	(97)	16	(12)
Tax effect	–	–	–	–	–	12	–	–	5	3
	(28)	–	–	–	–	12	111	(97)	21	(9)
	(284)	(85)	(459)	(160)	(111)	(98)	104	(322)	(9)	48

[1] Includes Adjustments related to the Corporation's investments in LMPG, Peak and Lion, previously presented as Standalone businesses. Comparative amounts have been reclassified to conform with the current presentation.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited) [in millions of Canadian dollars]	June 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	15,180	14,366
Investments [Note 4]		
Bonds	180,938	174,867
Mortgage and other loans	45,233	44,045
Shares	23,248	22,344
Investment properties	8,976	8,493
	258,395	249,749
Insurance contract assets [Note 7]	1,586	1,571
Reinsurance contract held assets [Note 7]	16,755	16,850
Funds held on behalf of clients	29,290	24,320
Derivative financial instruments	2,427	2,290
Investments in jointly controlled corporations and associates [Note 5]	8,526	8,135
Owner-occupied properties and capital assets	6,850	6,544
Other assets	29,464	26,641
Deferred tax assets	2,599	2,408
Intangible assets	7,059	7,031
Goodwill	14,980	14,661
Investments on account of segregated fund policyholders [Note 6]	626,219	551,169
Total assets	1,019,330	925,735
Liabilities		
Insurance contract liabilities [Note 7]	165,772	161,644
Investment contract liabilities	91,271	89,042
Reinsurance contract held liabilities [Note 7]	860	919
Client funds payable	31,266	25,793
Obligations to securitization entities	4,707	4,815
Power Corporation's debentures and other debt instruments [Note 8]	647	647
Non-recourse debentures and other debt instruments of:		
Power Financial, Great West and IGM [Note 9A]	11,927	11,354
Consolidated investment funds and Other [Note 9B]	4,695	4,146
Derivative financial instruments	2,943	2,438
Other liabilities	30,944	27,299
Deferred tax liabilities	1,591	1,421
Insurance contracts on account of segregated fund policyholders [Note 7]	74,839	70,418
Investment contracts on account of segregated fund policyholders	551,380	480,751
Total liabilities	972,842	880,687
Equity		
Share capital [Note 10]		
Non-participating shares	1,350	1,350
Participating shares	9,123	9,159
Retained earnings	11,377	11,674
Reserves	3,260	2,249
Total shareholders' equity	25,110	24,432
Non-controlling interests	21,378	20,616
Total equity	46,488	45,048
Total liabilities and equity	1,019,330	925,735

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(unaudited) [in millions of Canadian dollars, except per share amounts]	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Insurance service result				
Insurance revenue [Note 14]	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)
Total insurance service result	911	857	1,873	1,637
Net investment result				
Net investment income [Note 4]	2,999	2,459	5,737	4,928
Changes in fair value through profit or loss [Note 4]	2,584	1,085	553	2,491
	5,583	3,544	6,290	7,419
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)
Net investment result	808	694	1,707	1,396
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)
Net investment result - Insurance contracts on account of segregated fund policyholders	-	-	-	-
Other revenues				
Fee income	3,396	2,982	6,606	5,929
Other	316	273	560	495
Total fee income and other revenues	3,712	3,255	7,166	6,424
Other expenses				
Operating and administrative expenses	4,159	3,496	7,608	6,726
Financing charges	207	215	411	433
Total other expenses	4,366	3,711	8,019	7,159
Earnings before investments in jointly controlled corporations and associates, and income taxes	1,065	1,095	2,727	2,298
Share of earnings of investments in jointly controlled corporations and associates [Note 5]	324	208	424	323
Earnings before income taxes	1,389	1,303	3,151	2,621
Income taxes [Note 16]	255	113	603	309
Net earnings	1,134	1,190	2,548	2,312
Attributable to				
Non-controlling interests	425	405	999	825
Non-participating shareholders	19	13	39	26
Participating shareholders	690	772	1,510	1,461
	1,134	1,190	2,548	2,312
Earnings per participating share [Note 18]				
Net earnings attributable to participating shareholders				
Basic	1.10	1.20	2.39	2.27
Diluted	1.08	1.19	2.36	2.24

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited) [in millions of Canadian dollars]	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Net earnings	1,134	1,190	2,548	2,312
Other comprehensive income (loss)				
Items that may be reclassified subsequently to net earnings				
Net unrealized gains (losses) on FVOCI debt instruments				
Unrealized gains (losses)	81	43	(35)	114
Income tax (expense) benefit	(20)	(5)	4	(21)
Realized (gains) losses transferred to net earnings	2	6	11	7
Income tax expense (benefit)	(2)	-	(3)	-
	61	44	(23)	100
Net unrealized gains (losses) on cash flow hedges				
Unrealized gains (losses)	310	7	279	68
Income tax (expense) benefit	(82)	1	(84)	(16)
Realized (gains) losses transferred to net earnings	(143)	(4)	(145)	(62)
Income tax expense (benefit)	38	-	39	16
	123	4	89	6
Net unrealized foreign exchange gains (losses) on translation of foreign operations				
Unrealized gains (losses) on translation	463	(659)	641	(307)
Income tax (expense) benefit	-	-	(8)	-
Unrealized gains (losses) on hedges of net investments in foreign operations	(89)	(49)	(96)	(187)
Income tax (expense) benefit	13	(21)	17	(10)
	387	(729)	554	(504)
Share of other comprehensive income (losses) of investments in jointly controlled corporations and associates	166	(70)	254	110
Income tax (expense) benefit	(5)	-	(5)	-
	161	(70)	249	110
Total - items that may be reclassified	732	(751)	869	(288)
Items that will not be reclassified subsequently to net earnings				
Net unrealized gains (losses) on FVOCI equity instruments				
Unrealized gains (losses)	422	207	410	160
Income tax (expense) benefit	(37)	(1)	(37)	(1)
	385	206	373	159
Share of other comprehensive income (losses) of investments in jointly controlled corporations and associates	168	(94)	(63)	(266)
Actuarial gains (losses) on defined benefit plans	132	103	199	127
Income tax (expense) benefit	(37)	(27)	(45)	(34)
	95	76	154	93
Total - items that will not be reclassified	648	188	464	(14)
Other comprehensive income (loss)	1,380	(563)	1,333	(302)
Comprehensive income	2,514	627	3,881	2,010
Attributable to				
Non-controlling interests	792	228	1,408	756
Non-participating shareholders	19	13	39	26
Participating shareholders	1,703	386	2,434	1,228
	2,514	627	3,881	2,010

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Six months ended June 30, 2026 (unaudited) [in millions of Canadian dollars]	Share capital: Non-participating shares	Share capital: Participating shares	Retained earnings	Reserves: Share-based compensation	Reserves: Other comprehensive income [Note 17]	Reserves: Total	Non-controlling interests	Total equity
Balance, beginning of year	1,350	9,159	11,674	325	1,924	2,249	20,616	45,048
Net earnings	-	-	1,549	-	-	-	999	2,548
Other comprehensive income	-	-	-	-	924	924	409	1,333
Comprehensive income	-	-	1,549	-	924	924	1,408	3,881
Subordinate voting shares purchased and cancelled under Normal Course Issuer Bid [Note 10]	-	(142)	(740)	-	-	-	-	(882)
Dividends to shareholders								
Non-participating shares	-	-	(39)	-	-	-	-	(39)
Participating shares	-	-	(842)	-	-	-	-	(842)
Dividends and other equity distributions to non-controlling interests	-	-	-	-	-	-	(613)	(613)
Expense for share-based compensation [Note 11]	-	-	-	32	-	32	33	65
Stock options exercised	-	106	-	(21)	-	(21)	15	100
Realized losses on FVOCI equity instruments transferred to retained earnings	-	-	(86)	-	86	86	-	-
Effects of changes in capital and ownership of subsidiaries, and other	-	-	(139)	2	(12)	(10)	(81)	(230)
Balance, end of period	1,350	9,123	11,377	338	2,922	3,260	21,378	46,488

Six months ended June 30, 2025 (unaudited) [in millions of Canadian dollars]	Share capital: Non-participating shares	Share capital: Participating shares	Retained earnings	Reserves: Share-based compensation	Reserves: Other comprehensive income [Note 17]	Reserves: Total	Non-controlling interests	Total equity
Balance, beginning of year	950	9,236	11,364	327	2,003	2,330	20,106	43,986
Net earnings	-	-	1,487	-	-	-	825	2,312
Other comprehensive loss	-	-	-	-	(233)	(233)	(69)	(302)
Comprehensive income	-	-	1,487	-	(233)	(233)	756	2,010
Subordinate voting shares purchased and cancelled under Normal Course Issuer Bid [Note 10]	-	(68)	(141)	-	-	-	-	(209)
Dividends to shareholders								
Non-participating shares	-	-	(26)	-	-	-	-	(26)
Participating shares	-	-	(787)	-	-	-	-	(787)
Dividends to non-controlling interests	-	-	-	-	-	-	(556)	(556)
Expense for share-based compensation [Note 11]	-	-	-	21	-	21	15	36
Stock options exercised	-	51	-	(20)	-	(20)	15	46
Realized gains on FVOCI equity instruments transferred to retained earnings	-	-	46	-	(46)	(46)	-	-
Effects of changes in capital and ownership of subsidiaries, and other	-	-	(169)	1	(3)	(2)	(304)	(475)
Balance, end of period	950	9,219	11,774	329	1,721	2,050	20,032	44,025

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) [in millions of Canadian dollars]	Six months ended June 30, 2026	2025
Operating activities		
Earnings before income taxes	3,151	2,621
Income tax paid, net of refunds received	(693)	(564)
Adjusting items		
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	(553)	(2,491)
Great West's insurance and investment contract-related activities		
Sales, maturities and repayments of investments	27,796	25,645
Purchases of investments	(28,610)	(26,840)
Other	(965)	(1,147)
	2,478	1,638
Financing activities		
Dividends paid		
By subsidiaries to non-controlling interests and other equity distributions	(609)	(557)
Non-participating shares	(37)	(26)
Participating shares	(811)	(756)
	(1,457)	(1,339)
Issuance of equity		
Corporation's subordinate voting shares [Note 10]	100	46
Subsidiaries' common and preferred shares	509	147
Issuance of investment funds' limited-life and redeemable units	282	429
Repurchase or redemption of equity		
Corporation's subordinate voting shares for cancellation under Normal Course Issuer Bid [Note 10]	(686)	(209)
Subsidiaries' common shares	(689)	(554)
Redemption of investment funds' limited-life and redeemable units	(162)	(42)
Disposition of an equity interest in a subsidiary	90	-
Acquisition of non-controlling interests	-	(3)
Changes in Power Financial, Great West and IGM's debt instruments [Note 9A]		
Issuance of debentures	400	-
Changes in Consolidated investment funds and Other's debt instruments [Note 9B]		
Increase in other debt instruments	1,133	541
Decrease in other debt instruments	(413)	(418)
Repayment of lease liabilities	(51)	(50)
Increase in obligations to securitization entities	793	647
Repayment of obligations to securitization entities	(898)	(738)
Other	(49)	(515)
	(1,098)	(2,058)
Investing activities		
Sales maturities and repayment of investments	1,811	1,666
Purchases of investments	(2,013)	(1,678)
Distribution and proceeds from disposal of investments in jointly controlled corporations and associates [Note 5]	65	544
Investments in jointly controlled corporations and associates [Note 5]	(145)	(74)
Business acquisitions, net of cash and cash equivalents acquired	(242)	(67)
Sale of business, net of cash and cash equivalents in a subsidiary	8	-
Acquisition of capital assets, properties and other	(289)	(317)
	(805)	74
Effect of changes in exchange rates on cash and cash equivalents	239	(172)
Increase (decrease) in cash and cash equivalents	814	(518)
Cash and cash equivalents, beginning of year	14,366	13,744
Cash and cash equivalents, end of period	15,180	13,226
Net cash from operating activities includes		
Interest and dividends received	5,097	4,748
Interest paid	671	622

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(ALL TABULAR AMOUNTS ARE IN MILLIONS OF CANADIAN DOLLARS, UNLESS OTHERWISE NOTED)

The following abbreviations are used in these Consolidated Financial Statements:

Canada Life	The Canada Life Assurance Company
ChinaAMC	China Asset Management Co., Ltd.
CSM	Contractual service margin
Empower	Empower Annuity Insurance Company of America
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
GBL	Groupe Bruxelles Lambert
Great West	Great-West Lifeco Inc.
IFRS	International Financial Reporting Standards
IGM or IGM Financial	IGM Financial Inc.
IG Wealth Management	IGWM Inc.
LMPG	LMPG Inc.
Mackenzie or Mackenzie Investments	Mackenzie Financial Corporation
Northleaf	Northleaf Capital Group Ltd.
OSFI	Office of the Superintendent of Financial Institutions
PAA	Premium allocation approach
Parjointco	Parjointco SA
Portage Ventures I	Portag3 Ventures Limited Partnership
Portage Ventures II	Portag3 Ventures II Limited Partnership
Portage Ventures III	Portage Ventures III Limited Partnership
Portage Ventures IV	Portage Ventures IV Limited Partnership
Power Corporation or the Corporation	Power Corporation of Canada
Power Financial	Power Financial Corporation
Power Sustainable	Power Sustainable Capital Inc.
Rockefeller	Rockefeller Capital Management
Sagard	Sagard Holdings Inc.
SHMI	Sagard Holdings Management Inc.
TSX	Toronto Stock Exchange
Wealthsimple	Wealthsimple Financial Corp.

NOTE 1 CORPORATE INFORMATION

Power Corporation of Canada is a publicly listed company (TSX: POW; POW.PR.E) incorporated and domiciled in Canada and located at 751 Victoria Square, Montréal, Quebec, Canada, H2Y 2J3.

Power Corporation is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms.

The unaudited Interim Condensed Consolidated Financial Statements (financial statements) of Power Corporation as at and for the three months and six months ended June 30, 2026 were approved by its Board of Directors on July 30, 2026.

NOTE 2 BASIS OF PRESENTATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

BASIS OF PRESENTATION

The financial statements of Power Corporation as at June 30, 2026 have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34) as issued by the International Accounting Standards Board (IASB) using the same accounting policies as set out in Note 2 to the Consolidated Financial Statements of the Corporation for the year ended December 31, 2025 except as described in the section Changes in Accounting Policies below. The financial statements should be read in conjunction with the Corporation's December 31, 2025 Consolidated Financial Statements and notes thereto.

The financial statements include the accounts of Power Corporation and its subsidiaries on a consolidated basis after elimination of intercompany transactions and balances, and consolidation adjustments.

The financial statements of Power Corporation include, on a consolidated basis, the results of Power Financial, a reporting issuer in all of the provinces and territories of Canada, and Great West and IGM Financial, which are both public companies. The amounts shown on the consolidated balance sheets (balance sheets), consolidated statements of earnings (statements of earnings), consolidated statements of comprehensive income (statements of comprehensive income), consolidated statements of changes in equity (statements of changes in equity) and consolidated statements of cash flows (statements of cash flows) are mainly derived from the publicly disclosed consolidated financial statements of Great West and IGM Financial, all as at and for the three months and six months ended June 30, 2026. Certain notes to Power Corporation's financial statements are derived from the notes to the financial statements of Great West and IGM Financial.

SUBSIDIARIES

Subsidiaries, including controlled investment funds, are entities the Corporation controls when: (i) the Corporation has power over the entity; (ii) it is exposed or has rights to variable returns from its involvement; and (iii) it has the ability to affect those returns through its use of power over the entity. Subsidiaries of the Corporation are consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continue to be consolidated until the date such control ceases. The Corporation reassesses whether or not it controls an entity if facts and circumstances indicate there are changes to one or more of the elements of control.

JOINTLY CONTROLLED CORPORATIONS AND ASSOCIATES

Jointly controlled corporations are entities in which unanimous consent is required for decisions relating to relevant activities. Associates are entities in which the Corporation exercises significant influence over the entity's operating and financial policies, without having control or joint control. Investments in jointly controlled corporations and associates are accounted for using the equity method. Under the equity method, the Corporation recognizes its share of net earnings (losses) and other comprehensive income (loss) of the jointly controlled corporations and associates, and dividends received.

In the case of investments in jointly controlled corporations and associates held by entities that meet the definition of a venture capital organization, the Corporation has elected to measure certain of its investments in jointly controlled corporations and associates at FVPL.

NOTE 2 **BASIS OF PRESENTATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED CORPORATIONS AND ASSOCIATES

The financial statements of Power Corporation include the operations of the following direct and indirect subsidiaries and investments in jointly controlled corporations and associates:

Corporation	Classification	Incorporated	Primary business operation	% equity interest June 30, 2026	% equity interest December 31, 2025
Holding company					
Power Corporation of Canada	Parent	Canada	Holding company		
Power Financial Corporation	Subsidiary	Canada	Holding company	100.0	100.0
Publicly traded companies					
Great-West Lifeco Inc. [1]	Subsidiary	Canada	Financial services holding company	71.1	71.1
The Canada Life Assurance Company	Subsidiary	Canada	Insurance and wealth management	100.0	100.0
Irish Life Group Limited	Subsidiary	Ireland	Insurance and wealth management	100.0	100.0
Empower Annuity Insurance Company of America	Subsidiary	United States	Financial services	100.0	100.0
IGM Financial Inc. [2]	Subsidiary	Canada	Wealth and asset management	67.9	66.8
IG Wealth Management	Subsidiary	Canada	Financial services	100.0	100.0
Mackenzie Financial Corporation	Subsidiary	Canada	Asset management company	100.0	100.0
China Asset Management Co., Ltd.	Associate	China	Asset management company	27.8	27.8
Northleaf Capital Group Ltd. [3]	Associate	Canada	Alternative asset manager	70.0	70.0
Rockefeller Capital Management	Associate	United States	Financial services	17.2	17.2
Parjointco SA	Joint control	Belgium	Holding company	50.0	50.0
Groupe Bruxelles Lambert [4]	Subsidiary	Belgium	Holding company	35.1	34.2
Alternative asset investment platforms and other					
Power Sustainable Capital Inc.	Subsidiary	Canada	Holding company	100.0	100.0
Power Sustainable Manager Inc. [5]	Subsidiary	Canada	Alternative asset manager	92.9	93.4
Power Sustainable Energy Infrastructure Partnership [6]	Subsidiary	Canada	Renewable energy fund	41.0	41.2
Potentia Renewables Inc.	Subsidiary	Canada	Renewable energy	100.0	100.0
Nautilus Solar Energy, LLC	Subsidiary	United States	Renewable energy	100.0	100.0
Power Sustainable Decarbonization Private Equity [7]	Subsidiary	United States	Private equity fund	67.7	67.7
Sagard Holdings Inc.	Subsidiary	Canada	Holding company	100.0	100.0
Sagard Holdings Management Inc. [8]	Subsidiary	Canada	Alternative asset manager	55.4	55.2
BEX Capital SAS [9]	Subsidiary	France	Alternative asset manager	45.0	45.0
Performance Equity Management, LLC	Subsidiary	United States	Alternative asset manager	100.0	100.0
HalseyPoint Asset Management, LLC	Joint control	United States	Alternative asset manager	40.0	40.0
Unigestion Private Equity Holding SA [10]	Subsidiary	Switzerland	Alternative asset manager	100.0	–
Wealthsimple Financial Corp. [11]	Subsidiary	Canada	Financial services	52.3	52.4
Portag3 Ventures LP [12]	Subsidiary	Canada	Venture capital fund	100.0	100.0
Portag3 Ventures II LP [13]	Subsidiary	Canada	Venture capital fund	27.9	27.9
Portage Ventures III LP [14]	Subsidiary	Canada	Venture capital fund	15.4	15.4
Portage Ventures IV LP [15]	Subsidiary	Canada	Venture capital fund	17.1	19.5
Portage Capital Solutions Fund I LP [16]	Subsidiary	Canada	Venture capital fund	57.1	57.1
Other					
LMPG Inc.	Subsidiary	Canada	Lighting solutions	49.6	49.6

[1] Power Financial holds a 68.6% equity interest and IGM Financial holds a 2.5% equity interest in Great West (68.7% and 2.4%, respectively, at December 31, 2025).
[2] Power Financial holds a 63.9% equity interest and Canada Life holds a 4.0% equity interest in IGM Financial (62.9% and 3.9%, respectively, at December 31, 2025).
[3] Represents a 49.9% non-controlling voting interest. Held through an acquisition vehicle 80% owned by Mackenzie Investments and 20% by Great West.
[4] Parjointco has a controlling interest in GBL and holds a 48.6% voting interest.
[5] Power Corporation and Great West hold an equity interest of 72.6% and 20.3%, respectively, in Power Sustainable Manager Inc. (73.0% and 20.4%, respectively, at December 31, 2025).
[6] Power Corporation holds a 28.1% equity interest and Great West holds a 12.9% equity interest in Power Sustainable Energy Infrastructure Partnership (28.3% and 12.9%, respectively, at December 31, 2025).
[7] The Corporation and Great West hold an equity interest of 39.5% and 28.2%, respectively, in Power Sustainable Decarbonization Private Equity.
[8] Power Corporation, Great West and GBL hold an equity interest of 44.6%, 10.8% and 4.1%, respectively, in SHMI (44.2%, 11.0% and 4.9%, respectively, at December 31, 2025) (Note 3).
[9] The Corporation, through SHMI, currently has an exercisable option to buy an additional 5.1% equity interest in BEX Capital SAS.
[10] Subject to the acquisition of the remaining 0.1%.
[11] Power Financial, Portage Ventures I and IGM Financial hold an equity interest of 13.9%, 9.6% and 28.8%, respectively, in Wealthsimple (13.9%, 9.6% and 28.9%, respectively, at December 31, 2025).
[12] Power Financial holds a 63.0% equity interest and Great West and IGM Financial each hold an equity interest of 18.5% in Portage Ventures I.
[13] Power Financial, Great West and IGM Financial each hold an equal equity interest of 7.7% and Sagard holds a 4.7% equity interest in Portage Ventures II.
[14] Sagard, Great West and IGM Financial hold an equity interest of 2.4%, 9.0% and 4.0%, respectively, in Portage Ventures III.
[15] Sagard, Great West and IGM Financial hold an equity interest of 4.2%, 10.0% and 2.9%, respectively, in Portage Ventures IV (4.8%, 11.4% and 3.3%, respectively, at December 31, 2025).
[16] Sagard and Great West hold an equity interest of 29.2% and 27.9%, respectively, in Portage Capital Solutions Fund I LP.

NOTE 2 BASIS OF PRESENTATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

CHANGES IN ACCOUNTING POLICIES

The Corporation 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.

These amendments did not impact the financial statements of the Corporation, except as indicated below:

- The Corporation 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 Corporation 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 Corporation derecognized the associated liabilities on the settlement date. The adoption of this amendment did not have a material impact on the financial statements.

These amendments are applied retrospectively and the comparative information has not been restated.

USE OF SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the preparation of the financial statements, management of the Corporation and management of its subsidiaries are required to make significant judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, net earnings, comprehensive income and related disclosures. Key sources of estimation, uncertainty and areas where significant judgments have been made by the management of the Corporation and the management of its subsidiaries are further described in the relevant accounting policies in the Corporation's Consolidated Financial Statements and notes thereto for the year ended December 31, 2025.

FUTURE ACCOUNTING CHANGES

The Corporation and its subsidiaries actively monitor changes in IFRS Accounting Standards, both proposed and released, by the IASB and analyze the effect that changes in the standards may have on the consolidated financial statements when they become effective. There have been no significant new standards issued and there have been no significant changes to the future accounting policies that are applicable to the Corporation from those disclosed in the December 31, 2025 Consolidated Financial Statements.

NOTE 3 BUSINESS ACQUISITIONS AND OTHER TRANSACTIONS

GREAT WEST

United Kingdom Onshore Bond Business

On December 23, 2024, Canada Life U.K., a subsidiary of Great West, 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 million as at June 30, 2026 ($2,787 million as at December 31, 2025), are to be transferred to Countrywide subject to court approval. Subsequent to June 30, 2026, Great West received this court approval and expects the transfer to occur in the second half of 2026.

Milliman, Inc.

On June 30, 2026, Empower, a subsidiary of Great West, announced that it had 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 million. 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.

SAGARD

Unigestion Private Equity Holding SA

On April 2, 2026, SHMI acquired 100% of the equity interest of Unigestion Private Equity Holding SA (Unigestion), a middle-market private equity firm headquartered in Switzerland, for a total consideration of $373 million, of which the Unigestion former controlling shareholder and management team will invest approximately $128 million in SHMI equity. As a result, the Corporation has consolidated the private equity activities of Unigestion from the acquisition date. As at June 30, 2026, the accounting for the acquisition is not finalized, with the initial amount of $345 million assigned to goodwill and intangible assets on the date of the acquisition to be adjusted, pending the completion of a comprehensive valuation of the assets acquired and liabilities assumed. The transaction will not have a significant impact on the financial statements.

During the six months ended June 30, 2026, Sagard completed an equity financing round, raising capital of US$110 million to partially fund the acquisition of Unigestion, of which the Corporation and Great West invested a combined US$68 million. The Corporation remains the controlling shareholder of SHMI subsequent to this equity financing round.

LMPG INC.

On May 20, 2026, LMPG entered into an agreement which provides for the Corporation to sell 100% of its interest in LMPG. The transaction is expected to close in the third quarter of 2026, subject to customary closing conditions. As a result, the assets and liabilities of LMPG were classified as held for sale as at June 30, 2026, and are included in other assets and other liabilities on the balance sheets. The transaction is not expected to have a significant impact on the Corporation's financial statements.

IGM FINANCIAL

Northleaf Capital Group Ltd.

Subsequent event

At June 30, 2026, IGM's subsidiary, Mackenzie, and Great West held a 49.9% non-controlling voting interest and a 70% economic interest in Northleaf, which was accounted for using the equity method. As a result of a series of transactions subsequent to June 30, 2026, the voting interest was aligned with the economic interest, and the Corporation, through IGM, will therefore consolidate Northleaf beginning on July 1, 2026.

The transactions resulted in an increase in the Corporation's interest in Northleaf by 6.1% to 76.1%, for total cash consideration of $54 million. These transactions were conducted at fair market value and will be accounted for as a business combination achieved in stages under IFRS 3, *Business Combinations*. The Corporation will derecognize its existing interest in Northleaf, resulting in a gain of approximately $187 million, net of transaction costs, representing the difference between the fair value of the previously held interest of approximately $619 million and the carrying value of $430 million.

The estimated acquisition date fair value of Northleaf is $884 million, comprised of cash consideration of $54 million, the fair value of the existing investment of approximately $619 million, and non-controlling interests valued at approximately $211 million, representing a 23.9% interest in Northleaf. The purchase price allocation, including the determination of the fair value of identifiable assets acquired, liabilities assumed, and resulting goodwill, has not yet been finalized and will be disclosed in the reporting period in which the acquisition is recognized. As the transaction was completed after June 30, 2026, no amounts have been recognized in the current period in respect to the acquisition.

NOTE 4 INVESTMENTS

CARRYING VALUES AND FAIR VALUES

Carrying values and estimated fair values of investments are as follows:

	June 30, 2026		December 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Bonds				
Designated as FVPL	165,218	165,218	159,124	159,124
Classified as FVPL	2,211	2,211	2,108	2,108
FVOCI	12,950	12,950	13,040	13,040
Amortized cost	559	560	595	596
	180,938	180,939	174,867	174,868
Mortgage and other loans				
Designated as FVPL	25,595	25,595	26,139	26,139
Classified as FVPL	6,680	6,680	6,350	6,350
FVOCI	271	271	269	269
Amortized cost	12,687	12,392	11,287	10,964
	45,233	44,938	44,045	43,722
Shares				
Classified as FVPL	22,041	22,041	21,301	21,301
Designated as FVOCI	1,207	1,207	1,043	1,043
	23,248	23,248	22,344	22,344
Investment properties	8,976	8,976	8,493	8,493
	258,395	258,101	249,749	249,427

NET INVESTMENT INCOME

Three months ended June 30, 2026	Bonds	Mortgage and other loans	Shares	Investment properties	Other	Total
Net investment income						
Investment income earned	2,022	416	163	149	323	3,073
Net realized losses on derecognition of:						
FVOCI assets	(2)	-	-	-	-	(2)
Amortized cost assets	-	(1)	-	-	-	(1)
Net expected credit loss (ECL) charge	-	(7)	-	-	-	(7)
Other income (expenses)	-	6	(3)	(61)	(6)	(64)
	2,020	414	160	88	317	2,999
Changes in FVPL	1,054	140	1,244	(32)	178	2,584
Net investment income (loss)	3,074	554	1,404	56	495	5,583

Three months ended June 30, 2025	Bonds	Mortgage and other loans	Shares	Investment properties	Other	Total
Net investment income						
Investment income earned	1,878	387	164	138	11	2,578
Net realized gains (losses) on derecognition of:						
FVOCI assets	(6)	-	-	-	-	(6)
Amortized cost assets	-	1	-	-	-	1
Net ECL (charge) recovery	(1)	2	-	-	-	1
Other income (expenses)	-	4	(4)	(53)	(62)	(115)
	1,871	394	160	85	(51)	2,459
Changes in FVPL	323	135	1,014	(62)	(325)	1,085
Net investment income (loss)	2,194	529	1,174	23	(376)	3,544

NOTE 4 INVESTMENTS (continued)

Six months ended June 30, 2026	Bonds	Mortgage and other loans	Shares	Investment properties	Other	Total
Net investment income						
Investment income earned	3,900	801	308	293	614	5,916
Net realized losses on derecognition of:						
FVOCI assets	(11)	-	-	-	-	(11)
Amortized cost assets	-	(4)	-	-	-	(4)
Net ECL charge	-	(1)	-	-	-	(1)
Other income (expenses)	-	12	(4)	(120)	(51)	(163)
	3,889	808	304	173	563	5,737
Changes in FVPL	(943)	(108)	1,486	(7)	125	553
Net investment income (loss)	2,946	700	1,790	166	688	6,290

Six months ended June 30, 2025	Bonds	Mortgage and other loans	Shares	Investment properties	Other	Total
Net investment income						
Investment income earned	3,681	780	309	278	112	5,160
Net realized gains (losses) on derecognition of:						
FVOCI assets	(7)	-	-	-	-	(7)
Amortized cost assets	-	1	-	-	-	1
Net ECL (charge) recovery	(1)	5	-	-	-	4
Other income (expenses)	-	7	(5)	(105)	(127)	(230)
	3,673	793	304	173	(15)	4,928
Changes in FVPL	1,027	442	1,218	(80)	(116)	2,491
Net investment income (loss)	4,700	1,235	1,522	93	(131)	7,419

Investment income from bonds and mortgage and other loans includes interest income and premium and discount amortization. Investment income from shares includes dividends and distributions from equity investment funds and gains realized on deconsolidation of subsidiaries and investment funds. Investment properties income includes rental income earned on investment properties, ground rent income earned on leased and subleased 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 and other miscellaneous income.

NOTE 5 INVESTMENTS IN JOINTLY CONTROLLED CORPORATIONS AND ASSOCIATES

The carrying values of the investments in jointly controlled corporations and associates are as follows:

	Jointly controlled corporations		Associates				
Six months ended June 30, 2026	Parjointco	Other [1]	ChinaAMC	Northleaf	Rockefeller	Other [1]	Total
Carrying value, beginning of year	3,291	390	1,712	472	481	1,789	8,135
Acquisition and investments	-	1	-	-	-	144	145
Disposal	-	-	-	-	-	(57)	(57)
Share of earnings (losses)	15	4	78	15	(3)	18	127
Changes in FVPL	-	-	-	-	-	297	297
Share of other comprehensive income (loss)	(5)	9	110	-	16	61	191
Dividends and distributions	(161)	(8)	(61)	(57)	-	(3)	(290)
Effects of changes in ownership and other	(20)	-	-	-	-	(2)	(22)
Carrying value, end of period	3,120	396	1,839	430	494	2,247	8,526

[1] Includes investments in jointly controlled corporations and associates held by entities that meet the definition of a venture capital organization, which have been elected to be measured at FVPL of $1,871 million at June 30, 2026 ($1,452 million at December 31, 2025).

	Jointly controlled corporations		Associates				
Six months ended June 30, 2025	Parjointco	Other [1]	ChinaAMC	Northleaf	Rockefeller	Other [1]	Total
Carrying value, beginning of year	3,683	413	1,661	354	903	1,787	8,801
Acquisition and investments	-	8	-	61	-	66	135
Disposal	-	(1)	-	-	-	(42)	(43)
Share of earnings (losses)	10	19	60	17	(5)	34	135
Changes in FVPL	-	-	-	-	-	188	188
Share of other comprehensive income (loss)	(3)	3	(60)	-	(47)	(49)	(156)
Dividends and distributions	(175)	(4)	(66)	-	-	(500)	(745)
Effects of changes in ownership and other	3	(53)	-	(3)	-	(51)	(104)
Carrying value, end of period	3,518	385	1,595	429	851	1,433	8,211

[1] Includes investments in jointly controlled corporations and associates held by entities that meet the definition of a venture capital organization, which have been elected to be measured at FVPL of $1,100 million at June 30, 2025 ($950 million at December 31, 2024).

NORTHLEAF CAPITAL GROUP LTD.

During the second quarter of 2026, Northleaf declared and paid dividends of $57 million, including a distribution of excess cash, in preparation for transactions that closed in the third quarter of 2026.

Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, the Corporation, through an acquisition vehicle controlled by IGM, completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 6.1%, from 70% to 76.1% (Note 3).

NOTE 6 SEGREGATED FUNDS AND OTHER STRUCTURED ENTITIES

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

CHANGES IN INSURANCE AND INVESTMENT CONTRACTS ON ACCOUNT OF SEGREGATED FUND POLICYHOLDERS

	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 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 fund interest	2,783	447
	75,050	12,929
Balance, end of period [1][2]	626,219	509,315

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

[2] At June 30, 2026, $2,851 million of investments on account of segregated fund policyholders on the balance sheets are expected to be transferred to Countrywide in 2026 ($2,787 million at December 31, 2025) (Note 3). Included in this amount are $93 million of cash and cash equivalents, $2,786 million of shares and units in unit trusts and $28 million of other liabilities.

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 million.

	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 million.

During the six months ended June 30, 2026, certain foreign equity holdings valued at $493 million were transferred from Level 2 to Level 1 ($2,779 million were transferred from Level 1 to Level 2 at December 31, 2025), primarily based on Great West's change in use of inputs in addition to quoted prices in active markets for certain foreign equity holdings. Level 2 assets include the 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 Great West does not have access to the underlying asset details within an investment fund.

NOTE 6 SEGREGATED FUNDS AND OTHER STRUCTURED ENTITIES (continued)

The following presents additional information about Great West's investments on account of segregated fund policyholders for which Great West 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.

NOTE 7 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD

INSURANCE CONTRACT (ASSETS) LIABILITIES

	Not measured under the PAA				
June 30, 2026	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

	Not measured under the PAA				
December 31, 2025	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

REINSURANCE CONTRACT HELD ASSETS (LIABILITIES)

	Not measured under the PAA				
June 30, 2026	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

	Not measured under the PAA				
December 31, 2025	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

NOTE 7 **INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD** (continued)

CSM

The concentration of insurance risk of Great West by business is as follows:

Six months ended June 30, 2026	Non-participating (excluding segregated funds) United States	Canada	Europe	Capital and Risk Solutions	Total	Segregated funds	Participating account surplus in Great West's subsidiaries [1]	Total [2]
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] Included in non-controlling interests on the balance sheets.

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

Year ended December 31, 2025	Non-participating (excluding segregated funds) United States	Canada	Europe	Capital and Risk Solutions	Total	Segregated funds	Participating account surplus in Great West's subsidiaries [1]	Total [2]
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] Included in non-controlling interests on the balance sheets.

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

NOTE 8 POWER CORPORATION'S DEBENTURES AND OTHER DEBT INSTRUMENTS

	June 30, 2026	December 31, 2025
POWER CORPORATION		
Debentures - unsecured		
8.57% debentures due April 22, 2039	150	150
4.81% debentures due January 31, 2047	249	249
4.455% debentures due July 27, 2048	248	248
Total Power Corporation	647	647

The Corporation has a line of credit of $500 million bearing interest at Adjusted Term SOFR plus 0.70%. At June 30, 2026 and December 31, 2025, the Corporation was not using its line of credit.

NOTE 9 NON-RECOURSE DEBENTURES AND OTHER DEBT INSTRUMENTS

A) POWER FINANCIAL, GREAT WEST AND IGM

The following table presents the debentures and other debt instruments issued by Power Financial, Great West and IGM. The debentures of Power Financial are direct obligations of Power Financial and are non-recourse to the Corporation. All debentures and other debt instruments of Great West and its subsidiaries are direct obligations of Great West or its subsidiaries, as applicable, and are non-recourse to the Corporation. All of the debentures of IGM are direct obligations of IGM and are non-recourse to the Corporation.

	June 30, 2026	December 31, 2025
POWER FINANCIAL		
Debentures – unsecured		
6.90% debentures due March 11, 2033	250	250
Total Power Financial	250	250
GREAT WEST		
Debentures and Senior Bonds – unsecured		
1.75% senior bonds due December 7, 2026 (€500 million) [1]	810	805
3.337% debentures due February 28, 2028	500	499
6.40% subordinated debentures due December 11, 2028	100	100
4.70% senior bonds due November 16, 2029 (€500 million) [1]	807	802
2.379% debentures due May 14, 2030	599	598
6.74% debentures due November 24, 2031	197	197
6.67% debentures due March 21, 2033	397	397
5.998% debentures due November 16, 2039	343	343
2.981% debentures due July 8, 2050	494	494
7.529% capital trust debentures due June 30, 2052 (face value of $150 million)	154	154
	4,401	4,389
Other Debt Instruments – unsecured		
Commercial paper and other short-term debt instruments with interest rates of 3.990% to 3.994% (3.921% to 4.204% at December 31, 2025)	283	273
1.357% senior notes due September 17, 2027 (US$400 million)	567	547
4.047% senior notes due May 17, 2028 (US$300 million)	426	411
4.51% mortgage on investment property due January 1, 2029 (US$39 million)	52	51
1.776% senior notes due March 17, 2031 (US$400 million)	567	546
4.15% senior notes due June 3, 2047 (US$700 million)	980	946
4.581% senior notes due May 17, 2048 (US$500 million)	704	679
3.075% senior notes due September 17, 2051 (US$700 million)	985	950
	4,564	4,403
Total Great West	8,965	8,792

[1] Designated by Great West as hedges of the net investment in foreign operations.

NOTE 9 NON-RECOURSE DEBENTURES AND OTHER DEBT INSTRUMENTS (continued)

	June 30, 2026	December 31, 2025
IGM FINANCIAL		
Debentures – unsecured		
3.44% debentures due January 26, 2027	400	400
6.65% debentures due December 13, 2027	125	125
7.45% debentures due May 9, 2031	150	150
7.00% debentures due December 31, 2032	175	175
7.11% debentures due March 7, 2033	150	150
4.407% debentures due June 2, 2036	200	-
6.00% debentures due December 10, 2040	200	200
4.56% debentures due January 25, 2047	200	200
4.115% debentures due December 9, 2047	250	250
4.174% debentures due July 13, 2048	200	200
4.206% debentures due March 21, 2050	250	250
5.426% debentures due May 26, 2053	300	300
5.002% debentures due June 2, 2056	200	-
Debentures of IGM held by Great West as investments	(88)	(88)
Total IGM	2,712	2,312
Total Power Financial, Great West and IGM	11,927	11,354

GREAT WEST

Subsequent event

On July 7, 2026, Great West issued €500 million ($810 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.

IGM FINANCIAL

On June 2, 2026, IGM issued $200 million aggregate principal amount 4.407% debentures, maturing on June 2, 2036 and $200 million aggregate principal amount 5.002% debentures, maturing on June 2, 2056. The net proceeds were used by IGM to fund the early redemption on July 2, 2026 of all of its $400 million aggregate principal amount of 3.44% debentures due January 26, 2027.

CHANGES IN DEBENTURES AND OTHER DEBT INSTRUMENTS – POWER FINANCIAL, GREAT WEST AND IGM

The table below details changes in the debentures and other debt instruments arising from financing activities, including both cash and non-cash changes.

	June 30, 2026	June 30, 2025
Balance, beginning of year	11,354	12,031
Issue of debentures	400	-
Changes in foreign exchange rates and other	173	(177)
Balance, end of period	11,927	11,854

NOTE 9 **NON-RECOURSE DEBENTURES AND OTHER DEBT INSTRUMENTS** (continued)

B) ALTERNATIVE ASSET INVESTMENT PLATFORMS AND OTHER – PROJECT AND OTHER DEBT

The following table presents the other debt instruments held by alternative asset investment platforms and other subsidiaries. All other debt instruments are credit or loan facilities that are direct obligations, and secured by the assets, of subsidiaries of the Corporation and are non-recourse to the Corporation.

	June 30, 2026	December 31, 2025
OTHER DEBT INSTRUMENTS		
Investment Funds and Other - secured		
Revolving credit facility up to $600 million, with interest equal to CORRA plus 0.9%	300	100
Revolving credit facility up to $385 million, with interest equal to CORRA plus 2.75%, prime rate plus 1.75% or SOFR plus 2.75% ($21 million and US$91 million) ($21 million and US$136 million at December 31, 2025)	150	207
Revolving credit facility up to US$110 million, bearing interest at various rates from SOFR plus 1.75% to 2.65% (US$89 million) (US$62 million at December 31, 2025)	127	85
Revolving credit facility up to US$100 million, with interest equal to SOFR plus 3.66% (US$6 million)	9	-
Revolving credit facility up to US$90 million, with interest equal to SOFR plus 1.8% (US$47 million)	67	-
Revolving credit facility up to US$84 million, with interest equal to SOFR plus 2.0% (US$30 million) (US$5 million at December 31, 2025)	43	7
Revolving credit facility up to US$75 million, with interest equal to the U.S. base rate minus 0.35% (US$47 million) (US$14 million at December 31, 2025)	67	19
Revolving credit facility up to US$53 million, with interest equal to SOFR plus 1.6% (US$2 million) (US$3 million at December 31, 2025)	3	4
Revolving credit facility up to US$50 million, with interest equal to SOFR plus 1.85% (US$3 million) (US$9 million at December 31, 2025)	5	12
Revolving credit facility up to US$49 million, with interest equal to SOFR plus 2.0% (US$37 million) (US$38 million at December 31, 2025)	53	52
Revolving credit facility up to $14 million, with interest equal to prime rate plus 0.25%	10	-
Revolving credit facility up to $5 million, with interest equal to prime rate plus 0.15%	1	-
Mezzanine loan due in February 2029, with interest equal to 15.0% (€10 million) (€10 million at December 31, 2025)	17	15
Mortgages on investment properties, due from August 2028 to June 2031, bearing interest at various rates from 3.0% to 5.34% and SOFR plus 2.75% (US$117 million) (US$63 million at December 31, 2025)	166	86
Senior loan facility due in May 2028, with interest equal to SOFR plus 4.75% (US$9 million) (US$19 million at December 31, 2025)	12	26
	1,030	613
Renewable Energy - Project debt - secured		
Construction loan facilities due from February 2027 to December 2057, bearing interest at various rates from 5.49% to 5.94%, SOFR plus 2.25% to 3.375% and U.S. base rate plus 1.25% ($331 million and US$481 million) ($39 million and US$478 million at December 31, 2025)	1,015	695
Loan facilities due from December 2030 to December 2037, bearing interest at various rates from 4.23% to 6.0% and CORRA plus 1.625%	426	448
Loan facilities due from May 2027 to December 2059, bearing interest at various rates from 3.62% to 6.93% and prime rate plus 1.5% ($1,014 million and US$144 million) ($1,039 million and US$148 million at December 31, 2025)	1,218	1,242
Loan facilities due from December 2026 to December 2055, bearing interest at various rates from 2.73% to 6.89% and SOFR plus 2.0% to 2.25% (US$651 million) (US$598 million at December 31, 2025)	925	818
Mezzanine loans due from January 2035 to June 2035, bearing interest at various rates from 7.36% to 7.5%	81	84
	3,665	3,287
Other - secured		
Revolving credit facility and term loan facilities due in July 2026 bearing interest at various rates equal to prime rate or U.S. base rate plus 4.0% and CORRA or SOFR plus 5.0% [1]	-	169
Subordinated term facility of $65 million, bearing interest at 13.5%, principal and accrued interest payable at maturity in October 2026 [1]	-	77
	-	246
Total alternative asset investment platforms and other	4,695	4,146

[1] Classified as held for sale as at June 30, 2026, and included in other liabilities on the balance sheet (Note 3).

NOTE 9 **NON-RECOURSE DEBENTURES AND OTHER DEBT INSTRUMENTS** (continued)

CHANGES IN OTHER DEBT INSTRUMENTS – ALTERNATIVE ASSET INVESTMENT PLATFORMS AND OTHER

The table below details changes in the other debt instruments arising from financing activities, including both cash and non-cash changes.

	June 30, 2026	June 30, 2025
Balance, beginning of year	4,146	3,878
Acquisitions	-	46
Increase in other debt instruments	1,133	541
Decrease in other debt instruments	(413)	(418)
Changes in foreign exchange rates and other [1]	(171)	(105)
Balance, end of period	4,695	3,942

[1] Includes $247 million of other debt instruments reclassified as held for sale as at June 30, 2026.

NOTE 10 SHARE CAPITAL

AUTHORIZED

The authorized capital of Power Corporation consists of an unlimited number of First Preferred Shares, issuable in series; an unlimited number of Participating Preferred Shares; and an unlimited number of Subordinate Voting Shares.

ISSUED AND OUTSTANDING

	June 30, 2026		December 31, 2025	
	Number of shares	Share capital	Number of shares	Share capital
		$		$
Non-Participating Shares				
First Preferred Shares				
Non-cumulative Redeemable, fixed rate				
Series A	6,000,000	150	6,000,000	150
Series B	8,000,000	200	8,000,000	200
Series C	6,000,000	150	6,000,000	150
Series D	10,000,000	250	10,000,000	250
Series G	8,000,000	200	8,000,000	200
Series H	8,000,000	200	8,000,000	200
Series I	8,000,000	200	8,000,000	200
Total Non-Participating Shares		1,350		1,350
Participating Shares				
Participating Preferred Shares	54,860,866	233	54,860,866	233
Subordinate Voting Shares				
Balance, beginning of year	580,872,092	8,926	589,948,328	9,003
Issued under Stock Option Plan	2,981,673	106	3,305,264	113
Purchased for cancellation under Normal Course Issuer Bid	(9,217,600)	(142)	(12,381,500)	(190)
Balance, end of period	574,636,165	8,890	580,872,092	8,926
Total Participating Shares		9,123		9,159

Participating Shares

During the six months ended June 30, 2026, 2,981,673 Subordinate Voting Shares were issued under the Corporation's Executive Stock Option Plan for a consideration of $100 million (1,448,259 Subordinate Voting Shares issued for the six months ended June 30, 2025 for a consideration of $46 million).

During the six months ended June 30, 2026, dividends declared on the Corporation's participating shares amounted to $1.3350 per share ($1.2250 per share in 2025).

Normal Course Issuer Bids

On March 1, 2025, the Corporation commenced a Normal Course Issuer Bid (NCIB) which was effective until February 28, 2026. On March 1, 2026, the Corporation commenced a new NCIB which is effective until the earlier of February 28, 2027 and the date on which the Corporation has purchased the maximum permitted number of Subordinate Voting Shares. Pursuant to this NCIB, the Corporation may purchase up to 20 million of its Subordinate Voting Shares outstanding (representing approximately 3.8% of the public float of Subordinate Voting Shares outstanding as at February 16, 2026) at market prices.

In connection with its NCIB, the Corporation has entered into an automatic share purchase plan (ASPP) and may provide parameters thereunder from time to time to allow a designated broker to purchase Subordinate Voting Shares under the NCIB at times when the Corporation would ordinarily not be permitted to purchase shares due to regulatory restrictions or self-imposed blackout periods. This resulted in a liability of $196 million recognized at June 30, 2026, recorded through retained earnings and included in other liabilities on the balance sheets. Outside of these predetermined trading blackout periods, purchases under the Corporation's NCIB will be completed at management's discretion.

During the six months ended June 30, 2026, the Corporation purchased and cancelled 9,217,600 Subordinate Voting Shares pursuant to this NCIB for a total of $686 million (4,423,000 Subordinate Voting Shares for a total of $209 million during the six months ended June 30, 2025). In the six months ended June 30, 2026, the Corporation's share capital was reduced by the average carrying value of the shares repurchased for cancellation. The excess paid over the average carrying value of share capital was $544 million and was recognized as a reduction to retained earnings ($141 million in 2025).

Subsequent event

Subsequent to quarter-end, the Corporation purchased, as of July 30, 2026, an additional 1,770,400 Subordinate Voting Shares pursuant to its current NCIB, for a total of $161 million.

NOTE 11 SHARE-BASED COMPENSATION

STOCK OPTION PLAN

On June 30, 2026, there were 16,291,081 Subordinate Voting Shares and 808,409 Subordinate Voting Shares reserved for issuance under Power Corporation's Executive Stock Option Plan and under Power Financial's Employee Stock Option Plan, assumed by Power Corporation (Stock Option Plans).

A summary of the status of the Corporation's Stock Option Plans, including tandem share appreciation rights (TSARs), as at June 30, 2026 and 2025, and changes during the respective periods then ended, is as follows:

	June 30, 2026		June 30, 2025	
	Options	Weighted-average exercise price	Options	Weighted-average exercise price
		$		$
Outstanding, beginning of year	14,066,220	34.66	18,804,983	32.77
Granted	1,181,412	72.31	1,158,924	50.37
Exercised or surrendered for cash	(7,361,275)	32.01	(3,306,491)	32.45
Forfeited	(15,910)	50.37	-	-
Outstanding, end of period	7,870,447	42.75	16,657,416	34.06
Options exercisable, end of period	3,612,454	33.79	12,587,727	31.98

The exercise price of the 7,870,447 outstanding options ranges from $28.51 to $86.84.

TANDEM SHARE APPRECIATION RIGHTS

A summary of the status of the Corporation's options with TSARs attached, as at June 30, 2026 and 2025, and changes during the respective periods ended is as follows:

	June 30, 2026			June 30, 2025		
	TSARs	Weighted-average exercise price	Fair value of liability	TSARs	Weighted-average exercise price	Fair value of liability
		$	$		$	$
Outstanding, beginning of year	5,159,204	30.98	184	7,751,627	31.40	84
Surrendered for cash	(4,379,602)	30.91	(236)	(1,858,232)	33.00	(29)
Change in fair value			89			49
Outstanding, end of period	779,602	31.39	37	5,893,395	30.90	104
TSARs exercisable, end of period	779,602	31.39		5,893,395	30.90	

The fair value of the outstanding cash-settled liability was $37 million at June 30, 2026 ($184 million at December 31, 2025) and is recorded in other liabilities. The intrinsic value of this liability at June 30, 2026 was $44 million ($217 million at December 31, 2025).

The fair value of the TSARs was estimated using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	June 30, 2026	June 30, 2025
Dividend yield	5.0%	5.6%
Expected volatility	19.3%	17.7% - 19.9%
Risk-free interest rate	3.1%	2.8% - 2.9%
Expected remaining life (years)	2.8	0.7 - 3.8
Share price ($/share)	88.42	53.19
Weighted-average exercise price ($/option)	31.39	30.90
Weighted-average fair value ($/option)	48.07	17.69

The Corporation entered into total return swap agreements to manage exposure to the volatility of its cash-settled share-based payments and related liability. For the six months ended June 30, 2026, a net loss of $26 million (a net gain of $3 million in 2025) arising from the change in fair value of the liability, net of the loss on the remeasurement to fair value of the derivative instruments, was included in operating and administrative expenses in the statements of earnings.

NOTE 11 SHARE-BASED COMPENSATION (continued)

COMPENSATION EXPENSE

During the six months ended June 30, 2026, Power Corporation granted 1,181,412 options (1,158,924 options for the six months ended June 30, 2025) under its Executive Stock Option Plan. Generally, the options vest on the basis of [i] the first 50%, three years from the date of the grant and [ii] the remaining 50% four years from the date of the grant.

The fair value of the options granted was estimated using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	June 30, 2026	June 30, 2025
Dividend yield	5.1%	5.7%
Expected volatility	18.8%	18.3%
Risk-free interest rate	3.4%	3.1%
Expected life (years)	8.9	9.1
Fair value ($/option)	7.52	4.00
Weighted-average exercise price ($/option)	72.31	50.37

The expected volatility has been estimated based on the historical volatility of the Corporation's share price using the expected option life.

Great West, IGM and Wealthsimple have also established stock option plans pursuant to which options may be granted to certain officers and employees. In addition, other subsidiaries of the Corporation have established share-based compensation plans. Compensation expense related to equity-settled stock option plans is recorded based on the fair value of the options or the fair value of the equity instruments at the grant date, amortized over the vesting period. For the three months ended June 30, 2026, total compensation expense relating to the equity-settled stock options granted by the Corporation and its subsidiaries amounted to $35 million ($13 million in 2025), and $65 million for the six months ended June 30, 2026 ($36 million in 2025), and was recorded in operating and administrative expenses in the statements of earnings.

PERFORMANCE RESTRICTED SHARE UNITS

On June 30, 2026, there were 7,468,371 Subordinate Voting Shares reserved for issuance under Power Corporation's Performance Restricted Share Unit Plan (PRSU Plan).

A summary of the status of the Corporation's PRSU Plan, as at June 30, 2026, and changes during this period ended is as follows:

	June 30, 2026	
	PRSUs	Fair value of liability
		$
Outstanding, beginning of year	320,707	15
Granted	284,589	-
Redeemed	(81,607)	(6)
Dividends reinvested	7,940	1
Change in fair value		8
Outstanding, end of period	531,629	18

As at June 30, 2026, there were no PRSUs redeemable and no units were outstanding at June 30, 2025.

NOTE 12 CAPITAL MANAGEMENT

POWER CORPORATION

As a holding company, Power Corporation's objectives in managing its capital are to:

- provide attractive long-term returns to shareholders of the Corporation;
- provide sufficient financial flexibility to pursue its growth strategy to invest on a timely basis in its operating companies and other investments as opportunities arise;
- maintain a capital structure that matches the long-term nature of its investments by maximizing the use of permanent capital;
- maintain an appropriate credit rating to ensure stable access to the capital markets; and
- maintain a prudent amount of available cash and cash equivalents.

The Board of Directors of the Corporation is responsible for capital management. Management of the Corporation is responsible for establishing capital management procedures and for implementing and monitoring its capital plans. The Board of Directors of the Corporation reviews and approves capital transactions such as the issuance, redemption and repurchase of participating shares, non-participating shares and debentures. The boards of directors of the Corporation's subsidiaries, as well as those of Parjointco and GBL, oversee and have the responsibility for their respective company's capital management.

The Corporation itself is not subject to externally imposed regulatory capital requirements. However, Great West and certain of its main subsidiaries, certain of IGM's subsidiaries and certain of the Corporation's other subsidiaries are subject to regulatory capital requirements and they manage their capital as described below.

GREAT WEST

Management of Great West is responsible for establishing capital management procedures for implementing and monitoring the capital plan.

On June 22, 2026, Great West issued 8,000,000 5.70% Non-Cumulative First Preferred Shares, Series 24 at $25.00 per share for gross proceeds of $200 million.

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 Life Insurance Capital Adequacy Test (LICAT). The 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, Great West's foreign operations and foreign subsidiaries met all applicable local capital or solvency requirements.

IGM FINANCIAL

IGM is responsible for its capital management practices, which are focused on preserving the quality of its financial position by maintaining a solid capital base and a strong balance sheet. IGM regularly assesses its capital management practices in response to changing economic conditions.

The IGM subsidiaries that are subject to regulatory capital requirements include investment dealer, exempt market dealer, portfolio managers, investment fund managers and a trust company. These IGM subsidiaries are required to maintain minimum levels of capital based on either working capital, liquidity or shareholders' equity. At June 30, 2026, IGM subsidiaries have complied with all regulatory capital requirements.

ALTERNATIVE ASSET INVESTMENT PLATFORMS AND OTHER

Certain subsidiaries are subject to regulatory capital requirements, including portfolio managers, asset managers and an order-execution-only broker. These subsidiaries are required to maintain levels of capital based on their working capital, liquidity or shareholders' equity. At June 30, 2026, these subsidiaries have complied with all regulatory capital requirements.

Further details on the Corporation capital management and the capital management of Great West and IGM are described in Note 22 to the Corporation's Consolidated Financial Statements for the year ended December 31, 2025.

NOTE 13 RISK MANAGEMENT

The Corporation and its subsidiaries have established policies, guidelines and procedures designed to identify, measure, monitor, report and mitigate material risks associated with financial instruments and insurance contracts. The key risks related to financial instruments are liquidity risk, credit risk and market risk.

- Liquidity risk is the risk that the Corporation and its subsidiaries would not be able to meet all cash outflow obligations as they come due or be able to, in a timely manner, raise capital or monetize assets at normal market conditions.
- Credit risk is the potential for financial loss to the Corporation and its subsidiaries if a counterparty in a transaction fails to meet its payment obligations. Credit risk can be related to the default of a single debt issuer, the variation of credit spreads on tradable fixed income securities and also to counterparty risk relating to derivative products.
- Market risk is the risk that the market 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. Market factors include three types of risks: foreign exchange risk, interest rate (including inflation) risk and equity risk.
  - Foreign exchange risk relates to the Corporation, its subsidiaries and its jointly controlled corporations and associates operating in different currencies and converting non-Canadian investments and earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur.
  - Interest rate risk is the risk that the fair value of a financial instrument will fluctuate following changes in the interest rates.
  - Equity risk is the potential loss associated with the sensitivity of the market price of a financial instrument arising from volatility in equity markets.

Estimates of sensitivities and risk exposure measures are included 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 Corporation and its subsidiaries' 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 Corporation and its subsidiaries' 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 Corporation cannot provide assurance that the actual impact on net earnings will be as indicated.

The following is a summary of risks in respect to the Corporation and its subsidiaries' financial instruments and insurance contracts. In the first section below, the risk management policies and procedures of Power Corporation, Power Financial and the Corporation's alternative asset investment platforms and other are discussed. Risks related to Great West and IGM are discussed in subsequent sections. For a more detailed discussion, refer to Note 23 to the Corporation's Consolidated Financial Statements for the year ended December 31, 2025.

NOTE 13 **RISK MANAGEMENT** (continued)

POWER CORPORATION, POWER FINANCIAL AND ALTERNATIVE ASSET INVESTMENT PLATFORMS AND OTHER

LIQUIDITY RISK

Power Corporation is a holding company. As such, the holding company's cash flows are principally derived from dividends received from its subsidiaries and income from investments, less operating expenses, financing charges, income taxes and payment of dividends to its participating and non-participating shareholders. As a holding company, the Corporation's ability to pay dividends is dependent upon the Corporation receiving dividends from its principal operating subsidiaries and other investments. Great West and its subsidiaries are subject to restrictions set out in relevant corporate and insurance laws and regulations, which require that solvency and capital ratios be maintained. IGM's subsidiaries are also subject to minimum capital requirements. Regulatory requirements may change from time to time, and thereby impact the ability of the operating subsidiaries to pay dividends. The declaration and payment of dividends by the Corporation in future periods remains at the discretion of its Board of Directors and is dependent on the operating performance, profitability, financial position and creditworthiness of its operating subsidiaries and other investments, as well as on their ability to pay dividends.

Power Corporation and Power Financial believe their ongoing cash flows from operations, available cash balances and liquidity available through their lines of credit are sufficient to address their liquidity needs.

CREDIT RISK

Power Corporation, Power Financial and other subsidiaries' cash and cash equivalents, including fixed income securities, funds held on behalf of clients, securities borrowed, other loans and derivatives are subject to credit risk.

Power Corporation, Power Financial and other subsidiaries manage credit risk on their fixed income securities by adhering to an investment policy that establishes guidelines which provide exposure limits by defining admissible securities, minimum ratings and concentration limits.

The maximum exposure to credit risk on these financial instruments is limited to their carrying value.

MARKET RISK

Power Corporation and Power Financial and other subsidiaries' financial instruments are comprised of cash and cash equivalents, fixed income securities, other investments (consisting of equity securities, other loans, investment funds and investment properties), derivatives and debentures and other debt instruments.

Equity Risk

Power Corporation, Power Financial and other subsidiaries held other investments either classified as FVOCI or FVPL. Unrealized gains and losses on investments classified as FVOCI are recorded in other comprehensive income and transferred directly to retained earnings on realization. Unrealized gains and losses on investments classified as FVPL are recorded directly in net earnings. As at June 30, 2026, the Corporation's investments classified as FVOCI are not significant. At June 30, 2026, the impact of a 10% decrease in the value of other investments held by Power Corporation, Power Financial and other subsidiaries would have resulted in an approximate $562 million loss recorded in net earnings related to investments classified as FVPL, including investments in jointly controlled corporations and associates measured at FVPL ($455 million at December 31, 2025).

GBL holds a portfolio of investments which are classified as FVOCI or FVPL. Unrealized gains and losses on investments classified as FVOCI are recorded in other comprehensive income and transferred directly to retained earnings on realization. Unrealized gains and losses on investments classified as FVPL are recorded directly in net earnings. As at June 30, 2026, the impact of a 10% decrease in equity markets would have resulted in an approximate $170 million unrealized loss (same as at December 31, 2025) to be recorded in other comprehensive income related to investments classified as FVOCI and a $30 million loss ($45 million at December 31, 2025) recorded in net earnings related to investments classified as FVPL, representing the Corporation's share of Parjointco's unrealized losses.

Power Corporation, Power Financial and other subsidiaries' exposure and management of liquidity risk, credit risk and market risk have not changed materially since December 31, 2025.

GREAT WEST

The risk committee of the board of directors of Great West is responsible for the oversight of Great West's key risks. Great West has established policies and procedures designed to identify, measure, manage, monitor and report material risks associated with financial instruments and insurance contracts. Great West's approach to risk management has not changed significantly since December 31, 2025. Certain risks are presented below. For a more detailed discussion of Great West's risk governance structure and risk management approach, refer to Note 23 to the Corporation's Consolidated Financial Statements for the year ended December 31, 2025.

LIQUIDITY RISK

Great West has the following policies and procedures in place to manage liquidity risk:

- Management of Great West 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 of Great West closely monitors the solvency and capital positions of its principal subsidiaries opposite liquidity requirements at its holding company. Additional liquidity is available through established lines of credit or via capital market transactions. Great West maintains committed lines of credit with Canadian chartered banks.

CREDIT RISK

Concentrations of Credit Risk

Concentrations of credit risk arise from exposures to a single debtor, a group of related debtors or groups of debtors that have similar credit risk characteristics in that they operate in the same geographic region or in similar industries. The characteristics of such debtors 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.

Expected Credit Losses

The majority of Great West's financial assets are measured at FVPL 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 at Great West was $17 million at June 30, 2026, of which $4 million was Stage 1, $10 million was Stage 2 and $3 million was Stage 3 ($25 million at December 31, 2025, of which $4 million was Stage 1, $16 million was Stage 2 and $5 million was Stage 3).

Credit Impact on Financial Assets and Liabilities Designated as FVPL

The carrying value of Great West's financial assets and liabilities designated as FVPL 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 million and $47 million for the three and six months ended June 30, 2026, respectively ($69 million and $125 million for the three and six months ended June 30, 2025, respectively) are reflected in changes in FVPL in the statement of earnings related to significant credit events occurring on financial instruments designated as FVPL.

MARKET RISK

Foreign Exchange Risk

If the assets backing insurance and investment contract liabilities are not matched by currency, changes in foreign exchange rates can expose Great West 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 to net earnings.

Great West has net investments in foreign operations. Great West'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 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 Great West's total equity. Correspondingly, Great West's book value per share and capital ratios monitored by rating agencies are also impacted.

Interest Rate Risk

The following policies and procedures are in place to mitigate Great West's exposure to interest rate risk:

- Great West manages its interest rate risk by investing in assets that are suitable for the products sold.
- Great West uses a formal process for managing the matching of assets and liabilities. This involves grouping general fund assets and liabilities into each of its segments. Assets in each of its segments are generally 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 non-fixed income assets.
- The risks 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 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 net earnings.

Great West'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 the net earnings. Further, the classification of financial assets, such as mortgage assets in the United Kingdom which are valued at amortized cost and held in the general fund assets supporting liabilities, also contributes to interest rate exposure in net earnings.

The impact to 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 million:

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	25	(50)	25	(50)
Equity	(25)	(25)	-	(25)

The sensitivities above reflect the immediate impacts on net earnings and 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 the net earnings does not take into account any future potential changes to Great West's ultimate investment rate (UIR) assumptions. As at both June 30, 2026 and December 31, 2025, the sensitivity of net earnings 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.

NOTE 13 RISK MANAGEMENT (continued)

The impact to 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 million, 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	200	(225)	150	(200)
Equity	250	(325)	225	(300)

The sensitivities above reflect the immediate impacts on net earnings and 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.

Equity Risk

Great West has investment policy guidelines in place that provide for prudent investment in equity markets with clearly defined limits to mitigate this risk. 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 shares and investments in other non-fixed income assets, primarily comprised of investment properties, real estate funds, private equities, and equity-release mortgages. Net earnings will reflect changes in the value 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 Great West on segregated fund business that it does not hedge, as changes in the cost of guarantees are fully offset within the CSM. For segregated fund business that Great West 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 shares on net earnings and equity, rounded to the nearest $25 million:

Change in publicly traded common share values

	June 30, 2026				December 31, 2025			
	Increase		Decrease		Increase		Decrease	
	20%	10%	10%	20%	20%	10%	10%	20%
Net earnings	50	25	(25)	(50)	75	50	(50)	(75)
Equity	525	275	(275)	(550)	500	250	(250)	(525)

The sensitivities above reflect the immediate impacts on the net earnings and 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 net earnings and equity, rounded to the nearest $25 million:

Change in other non-fixed income asset values

	June 30, 2026				December 31, 2025			
	Increase		Decrease		Increase		Decrease	
	10%	5%	5%	10%	10%	5%	5%	10%
Net earnings	600	300	(325)	(650)	550	275	(300)	(600)
Equity	650	325	(350)	(675)	600	300	(325)	(650)

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

IGM FINANCIAL

The risk committee of the board of IGM is responsible for assisting the board of directors of IGM in reviewing and overseeing the risk governance structure and risk management program of IGM.

The risk management policies and procedures of IGM have not changed materially since December 31, 2025. Certain risks are presented below. For a more detailed discussion of IGM's risk governance structure and risk management approach, refer to Note 23 to the Corporation's Consolidated Financial Statements for the year ended December 31, 2025.

LIQUIDITY RISK

IGM's liquidity profile is structured to ensure it has sufficient liquidity to satisfy current and prospective requirements in both normal and stressed conditions. IGM's liquidity management practices include:

- Maintaining liquid assets and lines of credit to satisfy near-term liquidity needs.
- Ensuring effective controls over liquidity management processes.
- Performing regular cash forecasts and stress testing.
- Regular assessment of capital market conditions and IGM's ability to access bank and capital market funding.
- Ongoing efforts to diversify and expand long-term mortgage funding sources.
- Oversight of liquidity risks by its internal financial risk management committee.

A key liquidity requirement for IGM is the funding of advisor network compensation paid for the distribution of financial products and services. This compensation continues to be paid from operating cash flows.

IGM's liquidity position and its management of liquidity risk have not changed materially since December 31, 2025.

CREDIT RISK

IGM's cash and cash equivalents, funds held on behalf of clients, mortgage portfolios and derivatives are subject to credit risk. IGM monitors its credit risk management practices on an ongoing basis to evaluate their effectiveness.

IGM's allowance for expected credit losses was $1 million at June 30, 2026 ($1 million at December 31, 2025), and is considered adequate by IGM's management to absorb all credit-related losses in the mortgage portfolios based on: i) historical credit performance experience; ii) recent trends in interest rates; iii) current portfolio credit metrics and other relevant characteristics; iv) its strong financial planning relationship with its clients; and v) stress testing of losses under adverse real estate market conditions.

IGM's exposure to and management of credit risk have not changed materially since December 31, 2025.

MARKET RISK

IGM's financial instruments are subject to the risk of loss arising from changes in values due to the changes in interest rates, equity prices and foreign exchange rates.

IGM is exposed to foreign exchange risk on its investments in ChinaAMC and Rockefeller. Changes to the carrying value due to changes in foreign exchange rates are recognized in other comprehensive income. As at June 30, 2026, a 5% appreciation in Canadian currency relative to foreign currencies would decrease the aggregate carrying value of foreign investments by approximately $128 million ($120 million at December 31, 2025).

NOTE 14 INSURANCE REVENUE

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Contracts not measured under the 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

NOTE 15 RESTRUCTURING EXPENSES

Restructuring expenses are recorded in operating and administrative expenses on the statements of earnings and include:

GREAT WEST

Great West 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.

Great West recorded restructuring provisions of $12 million and $30 million for the three and six months ended June 30, 2026, respectively ($266 million and $276 million for the three and six months ended June 30, 2025, respectively). 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 Great West for future growth and expense savings.

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

IGM FINANCIAL

IGM recorded restructuring and other charges of $95 million ($70 million after tax) for the three and six months ended June 30, 2026, respectively (nil in 2025), related to actions taken to simplify its organizational structure and operating model, and to improve efficiency. These actions are intended to create capacity for IGM to further invest in artificial intelligence (AI) capabilities. The initiatives include organizational structure changes, the consolidation of certain team structures and streamlined workflows. The charge primarily consists of severance and also includes other costs associated with these activities.

NOTE 16 INCOME TAXES

INCOME TAXES

The components of income tax expense (recovery) recognized in net earnings are:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Current taxes				
Current income tax	327	137	679	353
Global Minimum Tax	31	37	77	68
	358	174	756	421
Deferred taxes	(103)	(61)	(153)	(112)
	255	113	603	309

EFFECTIVE INCOME TAX RATE

The effective income tax rate for the Corporation for the six months ended June 30, 2026, was 19.1% (11.8% for the six months ended June 30, 2025).

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 and results from jointly controlled corporations and associates. It may also be affected by other items such as provisions-to-return adjustments, tax rate changes, the recognition of deferred tax assets and tax credits and updates to tax estimates, including deferred tax asset recoverability and uncertain tax position estimates, as well as the remeasurement of certain tax liabilities.

The effective income tax rates are generally lower than the Corporation's statutory income tax rate of 26.5% due to non-taxable investment income, lower tax in certain foreign jurisdictions and results from jointly controlled corporations and associates that are not taxable.

NOTE 17 OTHER COMPREHENSIVE INCOME

Six months ended June 30, 2026	Items that may be reclassified subsequently to net earnings				Items that will not be reclassified to net earnings			
	Investment revaluation	Cash flow hedges	Foreign currency translation	Share of jointly controlled corporations and associates	Investment revaluation	Actuarial gains (losses) on defined benefit pension plans and other	Share of jointly controlled corporations and associates	Total
Balance, beginning of year	(93)	118	1,449	196	(175)	70	359	1,924
Other comprehensive income (loss)	(27)	61	394	193	262	104	(63)	924
Realized (gains) losses on FVOCI equity instruments transferred to retained earnings	-	-	-	-	(17)	-	103	86
Other	-	-	-	(14)	-	-	2	(12)
Balance, end of period	(120)	179	1,843	375	70	174	401	2,922

Six months ended June 30, 2025	Items that may be reclassified subsequently to net earnings				Items that will not be reclassified to net earnings			
	Investment revaluation	Cash flow hedges	Foreign currency translation	Share of jointly controlled corporations and associates	Investment revaluation	Actuarial gains (losses) on defined benefit pension plans and other	Share of jointly controlled corporations and associates	Total
Balance, beginning of year	(174)	32	1,778	18	(285)	8	626	2,003
Other comprehensive income (loss)	59	7	(350)	143	111	63	(266)	(233)
Realized gains on FVOCI equity instruments transferred to retained earnings	-	-	-	-	-	-	(46)	(46)
Other	(1)	-	14	(25)	(2)	-	11	(3)
Balance, end of period	(116)	39	1,442	136	(176)	71	325	1,721

NOTE 18 EARNINGS PER SHARE

The following is a reconciliation of the numerators and the denominators used in the computations of earnings per share:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Earnings				
Net earnings attributable to shareholders	709	785	1,549	1,487
Dividends on non-participating shares	(19)	(13)	(39)	(26)
Net earnings attributable to participating shareholders	690	772	1,510	1,461
Dilutive effect of subsidiaries' outstanding stock options	(7)	(3)	(13)	(7)
Effect of equity-settled method for TSARs and PRSUs [1]	-	-	1	(3)
Net earnings adjusted for dilutive effect	683	769	1,498	1,451
Number of participating shares [millions]				
Weighted average number of participating shares outstanding – Basic	630.2	642.1	632.1	642.6
Effect of potential exercise of outstanding stock options and PRSUs	4.2	5.9	3.9	5.4
Weighted average number of participating shares outstanding – Diluted	634.4	648.0	636.0	648.0
Net earnings per participating share				
Basic	1.10	1.20	2.39	2.27
Diluted	1.08	1.19	2.36	2.24

[1] Options with TSARs and PRSUs are accounted for as cash-settled share-based payments. As these options or units can be exercised in exchange for subordinate voting shares or for cash, they are considered potentially dilutive and are included in the calculation of the diluted net earnings per share if they have a dilutive impact in the period, and the net earnings used in the diluted calculation is adjusted to reflect the expense had these options or units been classified as equity-settled.

For the six months ended June 30, 2026, 0.4 million stock options (1.2 million in 2025) were excluded from the computation of diluted earnings per share as they were anti-dilutive.

NOTE 19 FAIR VALUE MEASUREMENT

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

Level	Definition	Financial assets and liabilities
Level 1	Utilize observable, unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access.	▪ actively exchange-traded equity securities; ▪ exchange-traded futures; ▪ mutual and segregated funds which have available prices in an active market with no redemption restrictions; ▪ open-end investment fund units and other liabilities in instances where there are quoted prices available from active markets.
Level 2	Utilize 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.	▪ assets and liabilities priced using a matrix which is based on credit quality and average life; ▪ government and agency securities; ▪ restricted shares; ▪ certain private bonds and investment funds; ▪ most investment-grade and high-yield corporate bonds; ▪ most asset-backed securities; ▪ most over-the-counter derivatives; ▪ most mortgage and other loans; ▪ certain other debt instruments; ▪ most of the investment contracts that are measured at FVPL; ▪ notes issued by consolidated collateralized loan obligations (CLOs); ▪ certain limited-life and redeemable fund units.
Level 3	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, external appraisers or by discounting projected cash flows.	▪ certain bonds; ▪ certain asset-backed securities; ▪ certain private equities; ▪ certain investments in jointly controlled corporations and associates; ▪ certain mortgage and other loans, including equity-release mortgages; ▪ investments in mutual and segregated funds where there are redemption restrictions; ▪ certain over-the-counter derivatives; ▪ investment properties; ▪ most of the limited-life and redeemable fund units.

NOTE 19 FAIR VALUE MEASUREMENT (continued)

The Corporation's assets and liabilities recorded at fair value, including their levels in the fair value hierarchy using the valuation methods and assumptions described in the summary of material accounting policies of the Corporation's December 31, 2025 Consolidated Financial Statements and above, are presented below. Fair values represent management's estimates and are generally calculated using market information at a specific point in time and may not reflect future fair values. The calculations are subjective in nature, and involve uncertainties and matters of significant judgment.

June 30, 2026	Level 1	Level 2	Level 3	Total fair value
Assets				
Bonds				
FVPL	-	166,813	616	167,429
FVOCI	-	12,950	-	12,950
Mortgage and other loans				
FVPL	-	25,612	6,663	32,275
FVOCI	-	271	-	271
Shares				
FVPL	12,289	177	9,575	22,041
FVOCI	1,197	-	10	1,207
Investment in jointly controlled corporations and associates [1]	-	-	1,871	1,871
Investment properties	-	-	8,976	8,976
Derivative instruments	-	2,424	3	2,427
Trading account assets	262	3,871	-	4,133
Other assets	-	237	531	768
Total	13,748	212,355	28,245	254,348
Liabilities				
Investment contract liabilities	-	91,271	-	91,271
Derivative instruments	5	2,932	6	2,943
Collateralized loan obligation liabilities	-	4,091	-	4,091
Limited-life and redeemable fund units	-	-	4,683	4,683
Great West's other debt instruments	-	52	-	52
Consolidated investment funds' other debt instruments	-	166	-	166
Other liabilities	-	237	26	263
Total	5	98,749	4,715	103,469

[1] Represents investments in jointly controlled corporations and associates held by entities that meet the definition of a venture capital organization, which have been elected to be measured at FVPL.

NOTE 19 FAIR VALUE MEASUREMENT (continued)

December 31, 2025	Level 1	Level 2	Level 3	Total fair value
Assets				
Bonds				
FVPL	-	161,041	191	161,232
FVOCI	-	13,040	-	13,040
Mortgage and other loans				
FVPL	-	26,139	6,350	32,489
FVOCI	-	269	-	269
Shares				
FVPL	12,751	183	8,367	21,301
FVOCI	1,033	-	10	1,043
Investment in jointly controlled corporations and associates [1]	-	-	1,452	1,452
Investment properties	-	-	8,493	8,493
Derivative instruments	2	2,285	3	2,290
Trading account assets	244	3,751	-	3,995
Other assets	-	615	234	849
Total	14,030	207,323	25,100	246,453
Liabilities				
Investment contract liabilities	-	89,042	-	89,042
Derivative instruments	3	2,428	7	2,438
Collateralized loan obligation liabilities	-	3,904	-	3,904
Limited-life and redeemable fund units	-	-	4,128	4,128
Great West's other debt instruments	-	51	-	51
Consolidated investment funds' other debt instruments	-	86	-	86
Other liabilities	-	624	25	649
Total	3	96,135	4,160	100,298

[1] Represents investments in jointly controlled corporations and associates held by entities that meet the definition of a venture capital organization, which have been elected to be measured at FVPL.

There were no significant transfers between Level 1 and Level 2 in these periods.

NOTE 19 **FAIR VALUE MEASUREMENT** (continued)

Additional information about assets and liabilities measured at fair value on a recurring basis for which the Corporation and its subsidiaries have utilized Level 3 inputs to determine fair value is presented below.

Six months ended June 30, 2026	Bonds	Mortgage and other loans	Shares and investments in jointly controlled corporations and associates		Investment properties	Derivatives, net	Limited-life and redeemable fund units	Other assets (liabilities)	Total
	FVPL	FVPL	FVPL [2]	FVOCI					
Balance, beginning of year	191	6,350	9,819	10	8,493	(4)	(4,128)	209	20,940
Total gains (losses)									
Net earnings	20	(13)	700	-	(5)	1	(345)	6	364
Other comprehensive income [1]	(3)	78	190	-	119	-	(137)	13	260
Business acquisition	-	-	43	-	-	-	-	304	347
Purchases	105	114	1,047	-	381	-	-	-	1,647
Issues	-	384	-	-	-	-	(303)	-	81
Sales	(4)	-	(361)	8	(12)	-	-	-	(369)
Settlements	-	(250)	-	(8)	-	-	187	(4)	(75)
Transfers into Level 3	308	-	-	-	-	-	-	-	308
Other	(1)	-	8	-	-	-	43	(23)	27
Balance, end of period	616	6,663	11,446	10	8,976	(3)	(4,683)	505	23,530

[1] Amount of other comprehensive income for FVPL investments, investment properties, limited-life and redeemable fund units and other assets and liabilities represents the unrealized gains (losses) on foreign exchange.

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

Year ended December 31, 2025	Bonds	Mortgage and other loans	Shares and investments in jointly controlled corporations and associates		Investment properties	Derivatives, net	Limited-life and redeemable fund units	Other assets (liabilities)	Total
	FVPL	FVPL	FVPL [2]	FVOCI					
Balance, beginning of year	178	5,142	8,165	-	8,350	(3)	(2,906)	155	19,081
Total gains (losses)									
Net earnings	(8)	291	1,104	-	(137)	3	(681)	-	572
Other comprehensive income [1]	8	62	(189)	6	(48)	-	100	(10)	(71)
Business acquisition	-	-	-	-	-	-	-	136	136
Purchases	(69)	452	1,754	2	741	(2)	-	7	2,885
Issues	-	739	-	-	-	-	(889)	-	(150)
Sales	(5)	-	(1,006)	26	(439)	-	-	-	(1,424)
Settlements	64	(415)	-	(26)	-	(2)	245	(79)	(213)
Transferred from owner-occupied properties	-	-	-	-	26	-	-	-	26
Transfers into Level 3	78	-	6	-	-	-	-	-	84
Other	(55)	79	(15)	2	-	-	3	-	14
Balance, end of year	191	6,350	9,819	10	8,493	(4)	(4,128)	209	20,940

[1] Amount of other comprehensive income for FVPL investments, investment properties, limited-life and redeemable fund units and other assets and liabilities represents the unrealized gains (losses) on foreign exchange.

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

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.

NOTE 19 FAIR VALUE MEASUREMENT (continued)

Significant unobservable inputs used at period-end in measuring assets categorized as Level 3 in the fair value hierarchy are presented below.

Type of asset	Valuation approach	Significant unobservable input	Input value	Interrelationship 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 and other loans – Equity-release mortgages (FVPL)	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.
Shares and investments in jointly controlled corporations and associates (FVPL)	The determination of the fair value of shares requires the use of estimates such as future cash flows, discount rates, projected earnings multiples, or recent transactions.	Discount rate and earnings multiples	Various	A decrease in the discount rate and an increase in the earnings multiples would result in an increase in fair value. An increase in the discount rate and a decrease in the earnings multiples would result in a decrease in fair value.
Limited-life and redeemable fund units	The determination of the fair value of the limited-life and redeemable fund units is based on the fair value of the underlying fund's investments.	Discount rate and earnings multiples	Various	A decrease in the discount rate and an increase in the earnings multiples would result in an increase in fair value. An increase in the discount rate and a decrease in the earnings multiples would result in a decrease in fair value.

NOTE 20 SEGMENTED INFORMATION

The Corporation is an international management and holding company. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms.

As a holding company, the Corporation evaluates the performance of each operating segment based on its contribution to the earnings attributable to participating shareholders. The contribution to the earnings attributable to participating shareholders from Great West, IGM Financial, GBL, Sagard, Power Sustainable and other, represents the Corporation's share of their net earnings.

The Corporation's reportable segments include Great West and IGM Financial due to their quantitative contribution, and the Corporation also considers GBL as a reportable segment. Together, they represent the Corporation's investments in publicly traded operating companies. As well, the Corporation considers the Holding company to be a reportable segment.

- **Great West** is a financial services holding company with interests in life insurance, health insurance, retirement savings, wealth and asset management, and reinsurance businesses, primarily in the U.S., Canada and Europe.
- **IGM Financial** is a leading wealth and asset management company supporting advisors and the clients they serve in Canada, and institutional investors globally.
- **GBL** is indirectly held through Parjointco. GBL is a Belgian investment holding company and leading investor in Europe. Its portfolio is comprised of a portfolio of listed and direct private assets composed of global companies, which are leaders in their sectors.
- **Holding company** comprises the corporate activities of the Corporation and Power Financial, on a combined basis, and presents the investment activities of the Corporation including its investments in consolidated entities. The Holding company activities present the Holding company's assets and liabilities, including cash, investments, debentures and non-participating shares. The Holding company cash flows are primarily comprised of dividends received, income from investments and income (loss) from cash and cash equivalents, less operating expenses, financing charges, income taxes and non-participating and participating share dividends.

The Corporation's asset management activities through the investment platforms, Sagard and Power Sustainable, together with their investing activities, are presented on a combined basis in another category, Alternative asset investment platforms and other, as they do not qualify as reportable segments.

Alternative asset investment platforms and other are comprised of the results of:

- Alternative asset management businesses, Sagard and Power Sustainable;
- Investments managed by Sagard and Power Sustainable on behalf of the Corporation;
- Entities held through the alternative asset managers which are consolidated; and
- Other subsidiaries.

Effect of consolidation represents the reconciliation between the measurement basis used for the presentation of the Holding company with the consolidated financial statements, as well as the intersegment elimination for investments under common control and other consolidation entries.

The segmented assets present the activities of the holding company, including its investments in consolidated entities, Great West and IGM, as well as other controlled entities, using the equity method of accounting as a measurement basis. These entities are consolidated in the Corporation's consolidated balance sheets. Common equity interests in Great West, IGM, and alternative asset investment platforms and other (intersegment investments) are included in their respective segment's assets.

NOTE 20 SEGMENTED INFORMATION (continued)

CONSOLIDATED NET EARNINGS

Three months ended June 30, 2026	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Segment revenue							
Insurance revenue [1]	5,822	-	-	-	-	-	5,822
Net investment income [2]	2,684	17	-	17	268	13	2,999
Changes in fair value through profit or loss [2]	2,484	1	-	12	176	(89)	2,584
Fee income [3][4]	2,116	1,052	-	-	292	(64)	3,396
Other [3]	-	-	-	-	316	-	316
Total segment revenue	13,106	1,070	-	29	1,052	(140)	15,117
Other insurance and investment results							
Insurance service expenses [1]	(4,510)	-	-	-	-	-	(4,510)
Net expenses from reinsurance contracts [1]	(401)	-	-	-	-	-	(401)
Net investment result from insurance activities [2][5]	(4,775)	-	-	-	-	-	(4,775)
Net investment result from insurance contracts on account of segregated fund policyholders	-	-	-	-	-	-	-
Total other insurance and investment results	(9,686)	-	-	-	-	-	(9,686)
Other expenses							
Operating and administrative expenses [4]	2,086	790	-	72	1,262	(51)	4,159
Financing charges	87	34	-	14	74	(2)	207
Total other expenses	2,173	824	-	86	1,336	(53)	4,366
Earnings before investments in jointly controlled corporations and associates, and income taxes	1,247	246	-	(57)	(284)	(87)	1,065
Share of earnings (losses) of investments in jointly controlled corporations and associates	16	86	(5)	-	267	(40)	324
Earnings before income taxes	1,263	332	(5)	(57)	(17)	(127)	1,389
Income taxes	162	69	-	-	24	-	255
Net earnings	1,101	263	(5)	(57)	(41)	(127)	1,134
Attributable to							
Non-controlling interests	436	106	-	36	(26)	(127)	425
Non-participating shareholders	-	-	-	19	-	-	19
Participating shareholders [6][7]	665	157	(5)	(112)	(15)	-	690
	1,101	263	(5)	(57)	(41)	(127)	1,134

[1] Included within insurance service result in the statements of earnings.

[2] Included within net investment result in the statements of earnings.

[3] Included within fee income and other revenues in the statements of earnings.

[4] Dealer compensation expenses at IGM are included in operating and administrative expenses.

[5] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

[6] The contribution from Great West, IGM, GBL and alternative asset investment platforms and other to net earnings attributable to participating shareholders of the Corporation includes the effect of consolidation.

[7] The contribution from Great West and IGM includes an allocation for the results of investments under common ownership based on their respective interests.

NOTE 20 SEGMENTED INFORMATION (continued)

CONSOLIDATED NET EARNINGS

Three months ended June 30, 2025	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Segment revenue							
Insurance revenue [1]	5,551	-	-	-	-	-	5,551
Net investment income [2]	2,299	7	-	(14)	154	13	2,459
Changes in fair value through profit or loss [2]	954	4	-	(4)	146	(15)	1,085
Fee income [3][4]	1,948	904	-	-	182	(52)	2,982
Other [3]	-	-	-	-	273	-	273
Total segment revenue	10,752	915	-	(18)	755	(54)	12,350
Other insurance and investment results							
Insurance service expenses [1]	(4,315)	-	-	-	-	-	(4,315)
Net expenses from reinsurance contracts [1]	(379)	-	-	-	-	-	(379)
Net investment result from insurance activities [2][5]	(2,850)	-	-	-	-	-	(2,850)
Net investment result from insurance contracts on account of segregated fund policyholders	-	-	-	-	-	-	-
Total other insurance and investment results	(7,544)	-	-	-	-	-	(7,544)
Other expenses							
Operating and administrative expenses [4]	2,177	623	-	52	690	(46)	3,496
Financing charges	101	32	-	14	65	3	215
Total other expenses	2,278	655	-	66	755	(43)	3,711
Earnings before investments in jointly controlled corporations and associates, and income taxes	930	260	-	(84)	-	(11)	1,095
Share of earnings (losses) of investments in jointly controlled corporations and associates	20	60	(15)	-	160	(17)	208
Earnings before income taxes	950	320	(15)	(84)	160	(28)	1,303
Income taxes	30	71	-	1	9	2	113
Net earnings	920	249	(15)	(85)	151	(30)	1,190
Attributable to							
Non-controlling interests	293	97	-	34	11	(30)	405
Non-participating shareholders	-	-	-	13	-	-	13
Participating shareholders [6][7]	627	152	(15)	(132)	140	-	772
	920	249	(15)	(85)	151	(30)	1,190

[1] Included within insurance service result in the statements of earnings.

[2] Included within net investment result in the statements of earnings.

[3] Included within fee income and other revenues in the statements of earnings.

[4] Dealer compensation expenses at IGM are included in operating and administrative expenses.

[5] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

[6] The contribution from Great West, IGM, GBL and alternative asset investment platforms and other to net earnings attributable to participating shareholders of the Corporation includes the effect of consolidation.

[7] The contribution from Great West and IGM includes an allocation for the results of investments under common ownership based on their respective interests.

NOTE 20 SEGMENTED INFORMATION (continued)

CONSOLIDATED NET EARNINGS

Six months ended June 30, 2026	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Segment revenue							
Insurance revenue [1]	11,521	-	-	-	-	-	11,521
Net investment income [2]	5,183	28	-	33	466	27	5,737
Changes in fair value through profit or loss [2]	415	-	-	19	228	(109)	553
Fee income [3][4]	4,156	2,057	-	-	518	(125)	6,606
Other [3]	-	-	-	-	560	-	560
Total segment revenue	21,275	2,085	-	52	1,772	(207)	24,977
Other insurance and investment results							
Insurance service expenses [1]	(8,809)	-	-	-	-	-	(8,809)
Net expenses from reinsurance contracts [1]	(839)	-	-	-	-	-	(839)
Net investment result from insurance activities [2][5]	(4,583)	-	-	-	-	-	(4,583)
Net investment result from insurance contracts on account of segregated fund policyholders	-	-	-	-	-	-	-
Total other insurance and investment results	(14,231)	-	-	-	-	-	(14,231)
Other expenses							
Operating and administrative expenses [4]	4,025	1,475	-	135	2,081	(108)	7,608
Financing charges	174	66	-	28	144	(1)	411
Total other expenses	4,199	1,541	-	163	2,225	(109)	8,019
Earnings before investments in jointly controlled corporations and associates, and income taxes	2,845	544	-	(111)	(453)	(98)	2,727
Share of earnings (losses) of investments in jointly controlled corporations and associates	23	155	15	-	308	(77)	424
Earnings before income taxes	2,868	699	15	(111)	(145)	(175)	3,151
Income taxes	433	151	-	-	14	5	603
Net earnings	2,435	548	15	(111)	(159)	(180)	2,548
Attributable to							
Non-controlling interests	968	219	-	72	(80)	(180)	999
Non-participating shareholders	-	-	-	39	-	-	39
Participating shareholders [6][7]	1,467	329	15	(222)	(79)	-	1,510
	2,435	548	15	(111)	(159)	(180)	2,548

[1] Included within insurance service result in the statements of earnings.

[2] Included within net investment result in the statements of earnings.

[3] Included within fee income and other revenues in the statements of earnings.

[4] Dealer compensation expenses at IGM are included in operating and administrative expenses.

[5] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

[6] The contribution from Great West, IGM, GBL and alternative asset investment platforms and other to net earnings attributable to participating shareholders of the Corporation includes the effect of consolidation.

[7] The contribution from Great West and IGM includes an allocation for the results of investments under common ownership based on their respective interests.

NOTE 20 **SEGMENTED INFORMATION** (continued)

CONSOLIDATED NET EARNINGS

Six months ended June 30, 2025	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Segment revenue							
Insurance revenue [1]	11,037	-	-	-	-	-	11,037
Net investment income [2]	4,626	15	-	(1)	264	24	4,928
Changes in fair value through profit or loss [2]	2,213	4	-	5	308	(39)	2,491
Fee income [3][4]	3,859	1,801	-	-	373	(104)	5,929
Other [3]	-	-	-	-	495	-	495
Total segment revenue	21,735	1,820	-	4	1,440	(119)	24,880
Other insurance and investment results							
Insurance service expenses [1]	(8,591)	-	-	-	-	-	(8,591)
Net expenses from reinsurance contracts [1]	(809)	-	-	-	-	-	(809)
Net investment result from insurance activities [2][5]	(6,023)	-	-	-	-	-	(6,023)
Net investment result from insurance contracts on account of segregated fund policyholders	-	-	-	-	-	-	-
Total other insurance and investment results	(15,423)	-	-	-	-	-	(15,423)
Other expenses							
Operating and administrative expenses [4]	4,108	1,247	-	105	1,365	(99)	6,726
Financing charges	204	64	-	27	132	6	433
Total other expenses	4,312	1,311	-	132	1,497	(93)	7,159
Earnings before investments in jointly controlled corporations and associates, and income taxes	2,000	509	-	(128)	(57)	(26)	2,298
Share of earnings (losses) of investments in jointly controlled corporations and associates	28	116	10	-	214	(45)	323
Earnings before income taxes	2,028	625	10	(128)	157	(71)	2,621
Income taxes	187	141	-	1	(24)	4	309
Net earnings	1,841	484	10	(129)	181	(75)	2,312
Attributable to							
Non-controlling interests	634	185	-	69	12	(75)	825
Non-participating shareholders	-	-	-	26	-	-	26
Participating shareholders [6][7]	1,207	299	10	(224)	169	-	1,461
	1,841	484	10	(129)	181	(75)	2,312

[1] Included within insurance service result in the statements of earnings.

[2] Included within net investment result in the statements of earnings.

[3] Included within fee income and other revenues in the statements of earnings.

[4] Dealer compensation expenses at IGM are included in operating and administrative expenses.

[5] Includes net finance income (expenses) from insurance contracts, net finance income (expenses) from reinsurance contracts and changes in investment contract liabilities.

[6] The contribution from Great West, IGM, GBL and alternative asset investment platforms and other to net earnings attributable to participating shareholders of the Corporation includes the effect of consolidation.

[7] The contribution from Great West and IGM includes an allocation for the results of investments under common ownership based on their respective interests.

NOTE 20 **SEGMENTED INFORMATION** (continued)

TOTAL ASSETS AND LIABILITIES

June 30, 2026	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Cash and cash equivalents	9,923	1,515	-	2,196	2,054	(508)	15,180
Investments	245,645	5,344	-	184	6,716	506	258,395
Investments in Great West, IGM and alternative asset investment platforms and other	1,676	3,419	-	24,228	-	(29,323)	-
Investments in jointly controlled corporations and associates	586	3,202	3,120	-	2,180	(562)	8,526
Other assets	45,480	4,371	-	551	38,742	(173)	88,971
Goodwill and intangible assets	16,648	3,949	-	1	1,442	(1)	22,039
Investments on account of segregated fund policyholders	626,219	-	-	-	-	-	626,219
Total assets [1]	946,177	21,800	3,120	27,160	51,134	(30,061)	1,019,330
Insurance and investment contract liabilities	257,043	-	-	-	-	-	257,043
Obligations to securitization entities	-	4,707	-	-	-	-	4,707
Power Corporation's debentures and other debt instruments	-	-	-	647	-	-	647
Non-recourse debentures and other debt instruments of:							
Power Financial, Great West and IGM	8,965	2,800	-	250	-	(88)	11,927
Consolidated investment funds and Other	-	-	-	-	4,695	-	4,695
Other liabilities	19,182	4,893	-	1,443	43,382	(1,296)	67,604
Insurance and investment contracts on account of segregated fund policyholders	626,219	-	-	-	-	-	626,219
Total liabilities	911,409	12,400	-	2,340	48,077	(1,384)	972,842

[1] Total assets of the Great West and IGM operating segments include the allocation of goodwill and certain consolidation adjustments.

December 31, 2025	Great West	IGM	GBL	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Cash and cash equivalents	8,902	1,274	-	2,232	2,518	(560)	14,366
Investments	239,080	5,387	-	176	4,552	554	249,749
Investments in Great West, IGM and alternative asset investment platforms and other	1,499	3,067	-	23,183	-	(27,749)	-
Investments in jointly controlled corporations and associates	570	3,084	3,291	-	1,734	(544)	8,135
Other assets	45,413	5,662	-	626	29,100	(177)	80,624
Goodwill and intangible assets	16,359	3,947	-	1	1,385	-	21,692
Investments on account of segregated fund policyholders	551,169	-	-	-	-	-	551,169
Total assets [1]	862,992	22,421	3,291	26,218	39,289	(28,476)	925,735
Insurance and investment contract liabilities	250,686	-	-	-	-	-	250,686
Obligations to securitization entities	-	4,815	-	-	-	-	4,815
Power Corporation's debentures and other debt instruments	-	-	-	647	-	-	647
Non-recourse debentures and other debt instruments of:							
Power Financial, Great West and IGM	8,792	2,400	-	250	-	(88)	11,354
Consolidated investment funds and Other	-	-	-	-	4,146	-	4,146
Other liabilities	19,178	6,149	-	1,350	32,327	(1,134)	57,870
Insurance and investment contracts on account of segregated fund policyholders	551,169	-	-	-	-	-	551,169
Total liabilities	829,825	13,364	-	2,247	36,473	(1,222)	880,687

[1] Total assets of the Great West and IGM operating segments include the allocation of goodwill and certain consolidation adjustments.

NOTE 20 **SEGMENTED INFORMATION** (continued)

CONDENSED STATEMENTS OF CASH FLOWS

Six months ended June 30, 2026	Great West	IGM	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Operating activities	2,828	548	993	(903)	(988)	2,478
Financing activities	(1,987)	(322)	(1,516)	1,240	1,487	(1,098)
Investing activities	(51)	15	487	(809)	(447)	(805)
Effect of changes in exchange rates on cash and cash equivalents	231	-	-	8	-	239
Increase (decrease) in cash and cash equivalents	1,021	241	(36)	(464)	52	814
Cash and cash equivalents, beginning of year	8,902	1,274	2,232	2,518	(560)	14,366
Cash and cash equivalents, end of period	9,923	1,515	2,196	2,054	(508)	15,180

Six months ended June 30, 2025	Great West	IGM	Holding company	Alternative asset investment platforms and other	Effect of consolidation	Total
Operating activities	1,318	356	983	(147)	(872)	1,638
Financing activities	(1,600)	(453)	(1,021)	91	925	(2,058)
Investing activities	(14)	18	96	(64)	38	74
Effect of changes in exchange rates on cash and cash equivalents	(181)	-	-	9	-	(172)
Increase (decrease) in cash and cash equivalents	(477)	(79)	58	(111)	91	(518)
Cash and cash equivalents, beginning of year	10,709	910	1,606	858	(339)	13,744
Cash and cash equivalents, end of period	10,232	831	1,664	747	(248)	13,226

Great-West Lifeco Inc.

PART B

Please note that the bottom of each page in Part B contains two different page numbers. A page number with the prefix "B" refers to the number of such page in this document and the page number without any prefix refers to the number of such page in the original document issued by Great-West Lifeco Inc.

The attached documents concerning Great-West Lifeco Inc. are documents prepared and publicly disclosed by such subsidiary, and are available under such subsidiary's profile on SEDAR+, at www.sedarplus.ca. Certain statements in the attached documents, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the current expectations of the subsidiary as set forth therein. Forward-looking statements are provided for the purposes of assisting the reader in understanding the subsidiary's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about the subsidiary's 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.

By its nature, forward-looking 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.

For further information provided by the subsidiary as to the material factors that could cause actual results to differ materially from the content of forward-looking statements, the material factors and assumptions that were applied in making the forward-looking statements, and the subsidiary's policy for updating the content of forward-looking statements, please see the attached documents, including the section entitled Cautionary Note Regarding Forward-Looking Information. The reader is cautioned to consider these factors and assumptions carefully and not to put undue reliance on forward-looking statements.

TABLE OF CONTENTS

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.

Assumptions	CSM impacts (pre-tax)	CSM impacts (post-tax)[1]	Q2-2026 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)**	

Assumptions	CSM impacts (pre-tax)	CSM impacts (post-tax)[1]	YTD-2026 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 U.S.	Canada	Europe	CRS	Corporate	Total	Q2-2025
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 U.S.	Canada	Europe	CRS	Corporate	Total	YTD-2025
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.

Consolidated Statements of Earnings *(unaudited)*

(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

Consolidated Statements of Changes in Equity *(unaudited)*

(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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IGM Financial Inc.

PART C

Please note that the bottom of each page in Part C contains two different page numbers. A page number with the prefix "C" refers to the number of such page in this document and the page number without any prefix refers to the number of such page in the original document issued by IGM Financial Inc.

The attached documents concerning IGM Financial Inc. are documents prepared and publicly disclosed by such subsidiary, and are available under such subsidiary's profile on SEDAR+, at www.sedarplus.ca. Certain statements in the attached documents, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the current expectations of the subsidiary as set forth therein. Forward-looking statements are provided for the purposes of assisting the reader in understanding the subsidiary's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about the subsidiary's 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.

By its nature, forward-looking 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.

For further information provided by the subsidiary as to the material factors that could cause actual results to differ materially from the content of forward-looking statements, the material factors and assumptions that were applied in making the forward-looking statements, and the subsidiary's policy for updating the content of forward-looking statements, please see the attached documents, including the section entitled Forward-looking Statements. The reader is cautioned to consider these factors and assumptions carefully and not to put undue reliance on forward-looking statements.

Management's Discussion and Analysis

Management’s Discussion and Analysis

The Management’s Discussion and Analysis (MD&A) presents management’s view of the results of operations and financial condition of IGM Financial Inc. (IGM Financial or the Company) as at and for the three and six months ended June 30, 2026 and should be read in conjunction with the unaudited Interim Condensed Consolidated Financial Statements (Interim Financial Statements) as well as the 2025 IGM Financial Inc. Annual Report and the 2026 IGM Financial Inc. First Quarter Report to Shareholders filed on www.sedarplus.ca. Commentary in the MD&A as at and for the three and six months ended June 30, 2026 is as of July 29, 2026.

Basis of Presentation and Summary of Accounting Policies

The Interim Financial Statements of IGM Financial, which are the basis of the information presented in the Company’s MD&A, have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* and are presented in Canadian dollars (Note 2 to the Interim Financial Statements).

Forward-looking Statements

Certain statements in this report, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM Financial Inc.’s (IGM Financial, IGM or the Company) and, where applicable, its subsidiaries’ and strategic investments’, current expectations. Forward-looking statements are provided to assist the reader in understanding the Company’s, and its subsidiaries and strategic investments, financial position and results of operations 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. Readers are 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 Company, and its subsidiaries and strategic investments, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. 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”.

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

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, including environmental and social, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Company’s and its subsidiaries’ and strategic investments’ control, affect the operations, performance and results of the Company and its subsidiaries and strategic investments, 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, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, environmental and social risks, business competition, technological change including artificial intelligence, changes in government regulations and legislation, changes in tax laws, the impact of trade relations, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), the Company’s ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company’s and its subsidiaries’ and strategic investments’ success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements.

Other than as specifically required by applicable Canadian law, the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are 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 Company’s business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including this Management’s Discussion and Analysis and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada, available at www.sedarplus.ca.

Non-IFRS Financial Measures and Other Financial Measures

This report contains Non-IFRS financial measures and non-IFRS ratios that do not have standard meanings prescribed by International Financial Reporting Standards (IFRS) and may not be directly comparable to similar measures used by other companies. These measures and ratios are used to provide management, investors and investment analysts with additional measures to assess earnings performance.

Non-IFRS financial measures include, but are not limited to, "adjusted net earnings available to common shareholders", "adjusted net earnings", "adjusted earnings before income taxes", "adjusted earnings before interest and taxes" (Adjusted EBIT), "earnings before interest, taxes, depreciation and amortization before sales commissions" (EBITDA before sales commissions), and "earnings before interest, taxes, depreciation and amortization after sales commissions" (EBITDA after sales commissions). These measures exclude other items which are items of a non-recurring nature, or that could make the period-over-period comparison of results from operations less meaningful. These measures also exclude the Company's proportionate share of items that Great-West Lifeco Inc. (Great West) excludes from its IFRS reported net earnings in arriving at Great West's base earnings. Base earnings is an alternate measure Great West uses to understand the underlying business performance compared to IFRS net earnings. Great West's financial information can be obtained in its disclosure materials filed on www.sedarplus.ca. EBITDA before sales commissions excludes all sales commissions. EBITDA after sales commissions includes all sales commissions and highlights aggregate cash flows.

Non-IFRS ratios include the following:

Ratio	Numerator	Denominator
Adjusted earnings per share (Adjusted EPS)	Adjusted net earnings available to common shareholders	Average number of outstanding common shares on a diluted basis
Return (Adjusted return) on equity (ROE, Adjusted ROE)	Net earnings (Adjusted net earnings) available to common shareholders	Average shareholders' equity
ROE (Adjusted ROE) excluding the impact of fair value through other comprehensive income investments	Net earnings (Adjusted net earnings) available to common shareholders	Average shareholders' equity excluding the impact of fair value through other comprehensive income investments net of tax

Refer to the appropriate reconciliations of non-IFRS financial measures, including as components of non-IFRS ratios, to reported results in accordance with IFRS in Tables 1 to 4.

This report also contains other financial measures which include:

- **Assets Under Management and Advisement (AUM&A)** represents the consolidated AUM and AUA of IGM Financial's core businesses IG Wealth Management and Mackenzie Investments. In the Wealth Management segment, AUM is a component part of AUA. All instances where the asset management segment is providing investment management services or distributing its products through the Wealth Management segment are eliminated in IGM Financial's reporting such that there is no double-counting of the same client savings held at IGM Financial's core businesses.
- **Assets Under Advisement (AUA)** are the key driver of the Wealth Management segment. AUA are savings and investment products held within client accounts of our Wealth Management segment core business.
- **Non-fee-bearing assets** are institutional client assets for which the Company does not earn ongoing advisory fees. These assets are included for reporting completeness but do not contribute to recurring fee revenue.
- **Assets Under Management (AUM)** are the key driver of the Asset Management segment. AUM are an additional driver of revenues and expenses within the Wealth Management segment in relation to its investment management activities. AUM are client assets where we provide investment management services, and include investment funds where we are the fund manager, investment advisory mandates to institutions, and other client accounts where we have discretionary portfolio management responsibilities.
- **Assets Under Management and Advisement Including Strategic Investments (AUM&A Including SI)** represents AUM&A including the Company's proportionate share of the AUM&A of strategic investments based on the Company's interest in the strategic investments. The strategic investments included are those whose activities are primarily in asset and wealth management, and include ChinaAMC, Northleaf, Rockefeller and Wealthsimple. Rockefeller client assets include assets under management and advisement as well as assets held for investment purposes and only receiving administrative services.
- **Working Capital** which consists of current assets less current liabilities excluding assets and liabilities not reflective of ongoing operations.
- **Unallocated Capital** represents capital not allocated to any of the operating companies and which would be available for investment, debt repayment, distribution to shareholders or other corporate purposes.

IGM Financial Inc.

Summary of Consolidated Operating Results

IGM Financial Inc. (TSX:IGM) is a leading wealth and asset management company supporting advisors and the clients they serve in Canada, and institutional investors globally. The Company operates through a number of operating subsidiaries and also holds a number of strategic investments that provide benefits to these subsidiaries while furthering the Company's growth prospects. The Company's wealth management segment consists of IG Wealth Management (IG), and strategic investments in Rockefeller Capital Management (Rockefeller) and Wealthsimple Financial Corp. (Wealthsimple). The asset management segment consists of Mackenzie Investments (Mackenzie) and strategic investments in China Asset Management Co., Ltd. (ChinaAMC) and Northleaf Capital Group Ltd. (Northleaf). The Company also holds an investment in Great-West Lifeco Inc. (Great West).

IGM Financial's Assets Under Management and Advisement Including Strategic Investments (AUM&A Including SI) were $622.1 billion at June 30, 2026, compared to $521.1 billion at June 30, 2025 and $566.2 billion at December 31, 2025, as detailed in Table 6.

IGM Financial's Assets Under Management and Advisement (AUM&A) were $343.3 billion at June 30, 2026, a record high, compared to $283.9 billion at June 30, 2025 and $310.1 billion at December 31, 2025. IGM Financial's Assets Under Management and Advisement (AUM&A) excluding non-fee-bearing assets were $340.6 billion at June 30, 2026, compared to $283.9 billion at June 30, 2025 and $310.1 billion at December 31, 2025. Average total AUM&A excluding non-fee-bearing assets for the second quarter of 2026 were $328.5 billion compared to $273.8 billion in the second quarter of 2025. Average total AUM&A excluding non-fee-bearing assets for the six months ended June 30, 2026 were $322.2 billion compared to $274.3 billion for the six months ended June 30, 2025.

Net earnings available to common shareholders for the three months ended June 30, 2026 were $261.5 million or $1.12 per share, compared to net earnings available to common shareholders of $246.7 million or $1.04 per share for the comparative period in 2025, representing an increase of 7.7% in earnings per share. Net earnings available to common shareholders for the three months ended March 31, 2026 were $283.8 million or $1.20 per share. Net earnings available to common shareholders for the six months ended June 30, 2026 were $545.3 million or $2.32 per share compared to net earnings available to common shareholders of $480.5 million or $2.02 per share for the comparative period in 2025, representing an increase of 14.9% in earnings per share.

Adjusted net earnings available to common shareholders (a non-IFRS measure – see Non-IFRS Financial Measures and Other Financial Measures and Table 1), excluding other items outlined below, for the three months ended June 30, 2026 were $330.0 million or $1.41 per share, which were both at record highs, compared to adjusted net earnings available to common shareholders of $252.7 million or $1.07 per share in 2025, representing an increase of 31.8% in adjusted earnings per share. Adjusted net earnings available to common shareholders in the current quarter represented an increase of 16.5% in adjusted earnings per share from $284.3 million or $1.21 per share for the three months ended March 31, 2026. Adjusted net earnings available to common shareholders, excluding other items outlined below, for the six months ended June 30, 2026 were $614.3 million or $2.62 per share compared to adjusted net earnings available to common shareholders of $490.5 million or $2.06 per share in 2025, representing an increase of 27.2% in adjusted earnings per share.

Other items for the six months ended June 30, 2026 consisted of:

- The Company's proportionate share of items Great West excludes from its base earnings (Great West other items) of ($7.0) million, including ($6.5) million recorded in the second quarter, reflecting the Company's proportionate share of items Great West excludes from its IFRS reported net earnings to arrive at base earnings, which are an alternate measure Great West uses to understand the underlying business performance compared to IFRS net earnings. Great West's financial information can be obtained in its disclosure materials filed on www.sedarplus.ca.
- Restructuring and other charges of $70.1 million after tax ($95.3 million pre-tax), recorded in the second quarter, related to actions taken to simplify the Company's organizational structure and operating model, and to improve efficiency. These actions

Table 1: Reconciliation of Non-IFRS Financial Measures

($ millions except EPS)	Three months ended **2026 Jun. 30**	Three months ended 2026 Mar. 31	Three months ended 2025 Jun. 30	Six months ended **2026 Jun. 30**	Six months ended 2025 Jun. 30
Adjusted net earnings available to common shareholders[1]	**$ 330.0**	$ 284.3	$ 252.7	**$ 614.3**	$ 490.5
Great West other items	**(6.5)**	(0.5)	(6.0)	**(7.0)**	(10.0)
Restructuring and other, net of tax	**(70.1)**	–	–	**(70.1)**	–
Rockefeller equity compensation	**(0.9)**	–	–	**(0.9)**	–
Gain on partial sale of investment in associates, net of tax	**9.0**	–	–	**9.0**	–
Net earnings available to common shareholders	**$ 261.5**	$ 283.8	$ 246.7	**$ 545.3**	$ 480.5
Adjusted earnings per share[1]	**$ 1.41**	$ 1.21	$ 1.07	**$ 2.62**	$ 2.06
Great West other items	**(0.03)**	(0.01)	(0.03)	**(0.03)**	(0.04)
Restructuring and other, net of tax	**(0.30)**	–	–	**(0.30)**	–
Rockefeller equity compensation	**–**	–	–	**(0.01)**	–
Gain on partial sale of investment in associates, net of tax	**0.04**	–	–	**0.04**	–
Earnings per share[2]	**$ 1.12**	$ 1.20	$ 1.04	**$ 2.32**	$ 2.02
Average outstanding shares – Diluted *(thousands)*	**233,887**	235,809	237,236	**234,685**	237,731
EBITDA before sales commissions[1]	**$ 515.7**	$ 455.0	$ 410.9	**$ 970.7**	$ 804.5
Sales–based commissions paid	**(35.2)**	(36.8)	(27.4)	**(72.0)**	(61.6)
EBITDA after sales commissions[1]	**480.5**	418.2	383.5	**898.7**	742.9
Sales–based commissions paid subject to amortization	**35.2**	36.8	27.4	**72.0**	61.6
Amortization of capitalized sales commissions	**(31.1)**	(30.5)	(28.3)	**(61.6)**	(56.1)
Amortization of capital, intangible and other assets	**(26.2)**	(24.4)	(24.2)	**(50.6)**	(48.9)
Adjusted earnings before interest and income taxes[1]	**458.4**	400.1	358.4	**858.5**	699.5
Interest expense[3]	**33.8**	32.1	32.2	**65.9**	64.2
Adjusted earnings before income taxes[1]	**424.6**	368.0	326.2	**792.6**	635.3
Income taxes	**93.1**	82.2	71.6	**175.3**	141.2
Adjusted net earnings[1]	**331.5**	285.8	254.6	**617.3**	494.1
Great West other items	**(6.5)**	(0.5)	(6.0)	**(7.0)**	(10.0)
Restructuring and other, net of tax	**(70.1)**	–	–	**(70.1)**	–
Rockefeller equity compensation	**(0.9)**	–	–	**(0.9)**	–
Gain on partial sale of investment in associates, net of tax	**9.0**	–	–	**9.0**	–
Net earnings	**263.0**	285.3	248.6	**548.3**	484.1
Non-controlling interest	**1.5**	1.5	1.9	**3.0**	3.6
Net earnings available to common shareholders	**$ 261.5**	$ 283.8	$ 246.7	**$ 545.3**	$ 480.5

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.
(2) Diluted earnings per share.
(3) Interest expense includes interest on long-term debt and leases.

are intended to create capacity for the Company to further invest in artificial intelligence (AI) capabilities. The initiatives include organizational structure changes, consolidation of certain team structures and streamlined workflows. The charge is primarily severance and also includes other related costs associated with these activities.

- The Company's proportionate share of Rockefeller's option program expense of $0.9 million, recorded in the second quarter. The expense arises from Rockefeller equity-based long-term employee incentives that the Company accounts for on a cash-settled basis, creating potential for meaningful volatility from fair value changes. This expense is excluded to enhance the comparability of period-over-period financial results and better reflect the underlying performance of the Company.
- Gain on partial sale of investment in associates of $9.0 million net of tax and one-time costs, recorded in the second quarter.

Other items for the six months ended June 30, 2025 consisted of Great West other items of ($10.0) million, including ($6.0) million recorded in the second quarter.

Total equity was $9.4 billion as at June 30, 2026, compared to $9.0 billion at December 31, 2025. Adjusted ROE (a non-IFRS ratio – see Non-IFRS Financial Measures and Other Financial Measures) for the six months ended June 30, 2026 was 13.5% compared with 12.4% for the comparative period in 2025. Adjusted ROE excluding the impact of fair value through other comprehensive income investments (a non-IFRS ratio – see Non-IFRS Financial Measures and Other Financial Measures) for the six months ended June 30, 2026 was 17.0% compared with 14.2% for the comparative period in 2025. The quarterly dividend per common share declared in the second quarter of 2026 was 62 cents, unchanged from the first quarter of 2026.

2026 Developments

Northleaf

Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, the Company completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 4.9%, net of NCI, to 60.9%, for cash consideration of $43 million. As a result of the transactions, the Company will consolidate Northleaf effective July 1, 2026 and recognize a non-cash accounting gain in the third quarter of approximately $187 million, or $149 million net of NCI.

Northleaf is a global private equity, private credit and infrastructure investment firm with more than $37 billion in assets under management, reflecting commitments raised to date from more than 375 institutional and family office investors and a growing number of wealth, asset management and insurance partners. Northleaf sources, evaluates and manages private markets investments, with a focus on mid-market companies and assets. Northleaf's 320-person team is located across offices in Canada, the U.S., the U.K., Australia, South Korea and Japan.

Long-term Debt

On June 2, 2026, the Company issued $200 million of 10-year, 4.407% debentures and $200 million of 30-year, 5.002% debentures. The net proceeds were used by the Company to fund the early redemption on July 2, 2026 of all of its outstanding $400 million aggregate principal amount of 3.44% debentures due January 26, 2027.

Market Overview

Financial market returns were positive for the second quarter of 2026:

- The S&P TSX Composite total return index increased by 7.0% in the second quarter and 3.9% in the first quarter.
- U.S. equity markets, as measured by the S&P 500 total return index, increased by 15.2% in the second quarter and decreased by 4.3% in the first quarter.
- European equity markets, as measured by the MSCI Europe net total return index, increased by 11.8% in the second quarter and decreased by 0.9% in the first quarter.
- Asian equity markets, as measured by the MSCI AC Asia Pacific net total return index, increased by 21.5% in the second quarter and remained flat in the first quarter.
- Chinese equity markets, as measured by the CSI 300 net total return index, increased by 12.7% in the second quarter and decreased by 3.7% in the first quarter.
- The FTSE TMX Canada Universe Bond total return index increased by 2.0% in the second quarter and 0.2% in the first quarter.
- Our clients experienced average investment returns of 9.4% in the second quarter and -0.2% in the first quarter.

IGM Financial's AUM&A increased by 10.7% from $310.1 billion at December 31, 2025 to $343.3 billion at June 30, 2026.

Reportable Segments

The Company's reportable segments are Wealth Management, Asset Management and Corporate & Other and reflect the Company's internal financial reporting and performance measurement (Tables 2, 3 and 4):

- ***Wealth Management*** – reflects the activities of its core business and strategic investments that are principally focused on providing financial planning and related services to retail client households. This segment includes the activities of IG Wealth Management which is a retail distribution organization that serves Canadian households through its investment dealer and other subsidiaries licensed to distribute financial products and services. A majority of the revenues of this segment are derived from providing financial advice and distributing financial products and services to Canadian households. This segment also includes the investment management activities of these organizations, including mutual fund management and discretionary portfolio management services. This segment also includes the Company's strategic

Table 2: Consolidated Operating Results by Segment – Q2 2026 vs. Q2 2025

Three months ended ($ millions)	Wealth Management 2026 Jun. 30	Wealth Management 2025 Jun. 30	Asset Management 2026 Jun. 30	Asset Management 2025 Jun. 30	Corporate & Other 2026 Jun. 30	Corporate & Other 2025 Jun. 30	Total 2026 Jun. 30	Total 2025 Jun. 30
Revenues								
Wealth management	$ **777.2**	$ 653.0	$ **–**	$ –	$ **(5.7)**	$ (3.6)	$ **771.5**	$ 649.4
Asset management	**–**	–	**308.6**	280.1	**(28.6)**	(26.3)	**280.0**	253.8
Dealer compensation expense	**–**	–	**(85.4)**	(80.9)	**(2.2)**	(1.4)	**(87.6)**	(82.3)
Net asset management	**–**	–	**223.2**	199.2	**(30.8)**	(27.7)	**192.4**	171.5
Net investment income and other	**3.1**	2.2	**9.7**	5.0	**5.9**	4.5	**18.7**	11.7
Proportionate share of associates' earnings	**0.1**	(0.4)	**51.6**	39.0	**31.3**	27.5	**83.0**	66.1
	780.4	654.8	**284.5**	243.2	**0.7**	0.7	**1,065.6**	898.7
Expenses								
Advisory and business development	**333.7**	283.4	**25.9**	21.4	**–**	–	**359.6**	304.8
Operations and support	**121.1**	116.1	**95.2**	95.3	**0.6**	0.9	**216.9**	212.3
Sub-advisory	**61.4**	51.6	**5.8**	2.9	**(36.5)**	(31.3)	**30.7**	23.2
	516.2	451.1	**126.9**	119.6	**(35.9)**	(30.4)	**607.2**	540.3
Adjusted earnings before interest and taxes(1)	**264.2**	203.7	**157.6**	123.6	**36.6**	31.1	**458.4**	358.4
Interest expense(2)	**27.1**	25.8	**6.7**	6.4	**–**	–	**33.8**	32.2
Adjusted earnings before income taxes(1)	**237.1**	177.9	**150.9**	117.2	**36.6**	31.1	**424.6**	326.2
Income taxes	**62.7**	47.1	**29.0**	23.6	**1.4**	0.9	**93.1**	71.6
Adjusted net earnings(1)	**174.4**	130.8	**121.9**	93.6	**35.2**	30.2	**331.5**	254.6
Non-controlling interest	**–**	–	**1.5**	1.9	**–**	–	**1.5**	1.9
Adjusted net earnings available to common shareholders(1)	$ **174.4**	$ 130.8	$ **120.4**	$ 91.7	$ **35.2**	$ 30.2	**330.0**	252.7
Other items(1)**, net of tax**								
Great West other items							**(6.5)**	(6.0)
Restructuring and other							**(70.1)**	–
Rockefeller equity compensation							**(0.9)**	–
Gain on partial sale of investment in associates							**9.0**	–
Net earnings available to common shareholders							$ **261.5**	$ 246.7

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.
(2) Interest expense includes interest on long-term debt and leases.

investments in Rockefeller and Wealthsimple. Rockefeller is classified as an investment in associate and accounted for using the equity method, with the proportionate share of earnings included in revenue. Wealthsimple is classified as an investment which is accounted for at fair value through other comprehensive income (FVTOCI) and therefore has no impact on the segment earnings.

- ***Asset Management*** – reflects the activities of its core business and strategic investments primarily focused on providing investment management services. This segment includes the operations of Mackenzie Investments which provides investment management services to a suite of investment funds that are distributed through third party dealers and financial advisors, and through institutional advisory mandates to financial institutions, pensions and other institutional investors. This segment also includes the Company's strategic investments in ChinaAMC and Northleaf which are classified as investments in associates and accounted for using the equity method. The proportionate share of earnings on these investments are included in the segment's revenue.
- ***Corporate and Other*** – primarily represents the investments in Great West and Portage Ventures

Table 3: Consolidated Operating Results by Segment – Six Months Ended

Six months ended ($ millions)	Wealth Management 2026 Jun. 30	Wealth Management 2025 Jun. 30	Asset Management 2026 Jun. 30	Asset Management 2025 Jun. 30	Corporate & Other 2026 Jun. 30	Corporate & Other 2025 Jun. 30	Total 2026 Jun. 30	Total 2025 Jun. 30
Revenues								
Wealth management	**$ 1,511.9**	$ 1,295.8	**$ –**	$ –	**$ (10.7)**	$ (6.9)	**$ 1,501.2**	$ 1,288.9
Asset management	**–**	–	**611.7**	564.5	**(56.2)**	(52.8)	**555.5**	511.7
Dealer compensation expense	**–**	–	**(170.5)**	(164.6)	**(4.2)**	(2.8)	**(174.7)**	(167.4)
Net asset management	**–**	–	**441.2**	399.9	**(60.4)**	(55.6)	**380.8**	344.3
Net investment income and other	**6.0**	4.3	**11.5**	6.5	**11.6**	8.7	**29.1**	19.5
Proportionate share of associates' earnings	**(2.4)**	(4.1)	**93.7**	78.0	**61.6**	52.0	**152.9**	125.9
	1,515.5	1,296.0	**546.4**	484.4	**2.1**	(1.8)	**2,064.0**	1,778.6
Expenses								
Advisory and business development	**645.2**	558.5	**52.9**	47.6	**–**	–	**698.1**	606.1
Operations and support	**247.3**	234.0	**200.2**	191.0	**1.1**	1.7	**448.6**	426.7
Sub-advisory	**119.5**	103.1	**10.5**	5.7	**(71.2)**	(62.5)	**58.8**	46.3
	1,012.0	895.6	**263.6**	244.3	**(70.1)**	(60.8)	**1,205.5**	1,079.1
Adjusted earnings before interest and taxes(1)	**503.5**	400.4	**282.8**	240.1	**72.2**	59.0	**858.5**	699.5
Interest expense(2)	**52.8**	51.3	**13.1**	12.9	**–**	–	**65.9**	64.2
Adjusted earnings before income taxes(1)	**450.7**	349.1	**269.7**	227.2	**72.2**	59.0	**792.6**	635.3
Income taxes	**120.2**	94.0	**52.2**	45.4	**2.9**	1.8	**175.3**	141.2
Adjusted net earnings(1)	**330.5**	255.1	**217.5**	181.8	**69.3**	57.2	**617.3**	494.1
Non-controlling interest	**–**	–	**3.0**	3.6	**–**	–	**3.0**	3.6
Adjusted net earnings available to common shareholders(1)	**$ 330.5**	$ 255.1	**$ 214.5**	$ 178.2	**$ 69.3**	$ 57.2	**614.3**	490.5
Other items(1), net of tax								
Great West other items							**(7.0)**	(10.0)
Restructuring and other							**(70.1)**	–
Rockefeller equity compensation							**(0.9)**	–
Gain on partial sale of investment in associates							**9.0**	–
Net earnings available to common shareholders							**$ 545.3**	$ 480.5

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.
(2) Interest expense includes interest on long-term debt and leases.

LPs, the Company's unallocated capital, as well as consolidation elimination entries.

Assets Under Management and Advisement (AUM&A) represents the consolidated AUM and AUA of IGM Financial's core businesses IG Wealth Management and Mackenzie Investments. In the Wealth Management segment, AUM is a component part of AUA. All instances where the Asset Management segment is providing investment management services or distributing its products through the Wealth Management segment are eliminated in IGM Financial's reporting such that there is no double-counting of the same client savings held at IGM Financial's core businesses.

Assets Under Advisement (AUA) are the key driver of the Wealth Management segment. AUA are savings and investment products held within client accounts of our Wealth Management segment operating companies.

Non-fee-bearing assets are institutional client assets for which the Company does not earn ongoing advisory fees. These assets are included for reporting completeness but do not contribute to recurring fee revenue.

Assets Under Management (AUM) are the key driver of the Asset Management segment. AUM are an additional driver of revenues and expenses within the Wealth Management segment in relation to its investment management activities. AUM are client assets where we

Table 4: Consolidated Operating Results by Segment – Q2 2026 vs. Q1 2026

	Wealth Management		Asset Management		Corporate & Other		Total	
Three months ended ***($ millions)***	**2026 Jun. 30**	2026 Mar. 31	**2026 Jun. 30**	2026 Mar. 31	**2026 Jun. 30**	2026 Mar. 31	**2026 Jun. 30**	2026 Mar. 31
Revenues								
Wealth management	**$ 777.2**	$ 734.7	**$ –**	$ –	**$ (5.7)**	$ (5.0)	**$ 771.5**	$ 729.7
Asset management	**–**	–	**308.6**	303.1	**(28.6)**	(27.6)	**280.0**	275.5
Dealer compensation expense	**–**	–	**(85.4)**	(85.1)	**(2.2)**	(2.0)	**(87.6)**	(87.1)
Net asset management	**–**	–	**223.2**	218.0	**(30.8)**	(29.6)	**192.4**	188.4
Net investment income and other	**3.1**	2.9	**9.7**	1.8	**5.9**	5.7	**18.7**	10.4
Proportionate share of associates' earnings	**0.1**	(2.5)	**51.6**	42.1	**31.3**	30.3	**83.0**	69.9
	780.4	735.1	**284.5**	261.9	**0.7**	1.4	**1,065.6**	998.4
Expenses								
Advisory and business development	**333.7**	311.5	**25.9**	27.0	**–**	–	**359.6**	338.5
Operations and support	**121.1**	126.2	**95.2**	105.0	**0.6**	0.5	**216.9**	231.7
Sub-advisory	**61.4**	58.1	**5.8**	4.7	**(36.5)**	(34.7)	**30.7**	28.1
	516.2	495.8	**126.9**	136.7	**(35.9)**	(34.2)	**607.2**	598.3
Adjusted earnings before interest and taxes(1)	**264.2**	239.3	**157.6**	125.2	**36.6**	35.6	**458.4**	400.1
Interest expense(2)	**27.1**	25.7	**6.7**	6.4	**–**	–	**33.8**	32.1
Adjusted earnings before income taxes(1)	**237.1**	213.6	**150.9**	118.8	**36.6**	35.6	**424.6**	368.0
Income taxes	**62.7**	57.5	**29.0**	23.2	**1.4**	1.5	**93.1**	82.2
Adjusted net earnings(1)	**174.4**	156.1	**121.9**	95.6	**35.2**	34.1	**331.5**	285.8
Non-controlling interest	**–**	–	**1.5**	1.5	**–**	–	**1.5**	1.5
Adjusted net earnings available to common shareholders(1)	**$ 174.4**	$ 156.1	**$ 120.4**	$ 94.1	**$ 35.2**	$ 34.1	**330.0**	284.3
Other items(1), net of tax								
Great West other items							**(6.5)**	(0.5)
Restructuring and other							**(70.1)**	–
Rockefeller equity compensation							**(0.9)**	–
Gain on partial sale of investment in associates							**9.0**	–
Net earnings available to common shareholders							**$ 261.5**	$ 283.8

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.
(2) Interest expense includes interest on long-term debt and leases.

provide investment management services, and include investment funds where we are the fund manager, investment advisory mandates to institutions, and other client accounts where we have discretionary portfolio management responsibilities.

Assets Under Management and Advisement Including Strategic Investments (AUM&A Including SI) represents AUM&A including the Company's proportionate share of the AUM&A of strategic investments based on the Company's interest in the strategic investments. The strategic investments included are those whose activities are primarily in asset and wealth management, and include ChinaAMC, Northleaf, Rockefeller and Wealthsimple. Rockefeller client assets include AUM&A as well as assets held for investment purposes and only receiving administrative services.

Financial Presentation

The financial presentation includes revenues and expenses to align with the key drivers of business activity and to reflect our emphasis on business growth and operational efficiency. The categories are as follows:

- ***Wealth management revenue*** – revenues earned by the Wealth Management segment for providing financial planning, investment advisory and related financial services. Revenues include:

- *Advisory fees* are related to providing financial advice to clients including fees related to the distribution of products and depend largely on the level and composition of AUA. Advisory fees also include net interest income from client cash on deposit.
- *Product and program fees* are related to the management of investment products and include management, administration and other related fees and depend largely on the level and composition of assets under management.
- *Other financial planning revenues* are fees primarily related to providing clients other financial products including mortgages, insurance and banking products.

- *Asset management revenue* – revenues earned by the Asset Management segment related to investment management advisory and administrative services. Revenues include:
  - *Asset management fees – third party* includes fees received from our investment funds and fees from third parties for investment management services. Compensation paid to dealers offsets the fees earned.
  - *Asset management fees – Wealth Management* includes fees received from the Wealth Management segment. Wealth Management is considered a client of the Asset Management segment and transfer pricing is based on values for similar sized asset management mandates.
- *Dealer compensation* – asset-based and sales-based compensation paid to dealers by the Asset Management segment.
- *Proportionate share of associates' earnings* – the Company's proportionate share of earnings from equity investments including Great West, ChinaAMC, Northleaf and Rockefeller.
- *Advisory and business development expenses* – expenses incurred on activities directly associated with providing financial planning services to clients of the Wealth Management segment and wholesale distribution activities performed by the Asset Management segment. Expenses include compensation, recognition and other support provided to our advisors, field management, product & planning specialists; expenses associated with facilities, technology and training relating to our advisors and specialists; other business development activities including direct marketing and advertising. A significant component of these expenses varies directly with levels of assets under management or advisement, business development measures including sales and client acquisition, and the number of advisor and client relationships.
- *Operations and support expenses* – expenses associated with business operations, including technology and business processes; in-house investment management and product shelf management; corporate management and support functions. These expenses primarily reflect compensation, technology and other service provider expenses.
- *Sub-advisory expenses* – reflects fees relating to investment management services that are typically variable with the level of assets under management, and in certain circumstances, the performance of the investment advisors. These fees include investment advisory services performed for the Wealth Management segment by the Asset Management segment.

Interest expense represents interest expense on long-term debt and leases. The change in interest expense for the three and six month periods resulted from the impact of the issuance of $400 million debentures on June 2, 2026. Debt and related interest expense is allocated to each segment based on management's assessment of: i) capacity to service the debt, and ii) where the debt is being serviced.

Income taxes are reported in each segment. IGM Financial consolidated changes in the effective tax rates are detailed in Table 5.

Tax planning may result in the Company recording lower levels of income taxes. Management monitors the status of its income tax filings and regularly assesses the overall adequacy of its provision for income taxes and, as a result, income taxes recorded in prior years may be adjusted in the current year. The effect of changes in management's best estimates reported in adjusted net earnings is reflected in Other, which also includes, but is not limited to, the effect of lower effective income tax rates on foreign operations.

Other items, as reflected in Tables 2, 3 and 4, include the after-tax impact of any item that management considers to be of a non-recurring nature or that could make the period-over-period comparison of results from operations less meaningful and are not allocated to segments.

Table 5: Effective Income Tax Rate

	Three months ended			Six months ended	
	2026 Jun. 30	2026 Mar. 31	2025 Jun. 30	**2026 Jun. 30**	2025 Jun. 30
Income taxes at Canadian federal and provincial statutory rates	**26.64 %**	26.61 %	26.57 %	**26.62 %**	26.59 %
Effect of:					
Proportionate share of associates' earnings[(1)]	**(5.30)**	(4.10)	(4.54)	**(4.66)**	(4.38)
Other	**(0.67)**	(0.17)	(0.16)	**(0.41)**	(0.05)
Other items:					
Great West other items	**0.52**	0.03	0.49	**0.26**	0.42
Gain on partial sale of investment in associates	**(0.52)**	–	–	**(0.24)**	–
Rockefeller equity compensation	**0.07**	–	–	**0.03**	–
Effective income tax rate – net earnings available to common shareholders	**20.74 %**	22.37 %	22.36 %	**21.60 %**	22.58 %

(1) Includes proportionate share of Great West's base earnings.

Other items for the six months ended June 30, 2026 consisted of:

- Great West other items of ($7.0) million, including ($6.5) million recorded in the second quarter.
- Restructuring and other of $70.1 million after tax ($95.3 million pre-tax), recorded in the second quarter.
- The Company's proportionate share of Rockefeller's option program expense of $0.9 million, recorded in the second quarter.
- Gain on partial sale of investment in associates of $9.0 million net of tax and one-time costs, recorded in the second quarter.

Other items for the six months ended June 30, 2025 consisted of Great West other items of ($10.0) million, including ($6.0) million recorded in the second quarter.

Total AUM&A

IGM Financial's AUM&A Including SI were $622.1 billion at June 30, 2026 compared to $521.1 billion at June 30, 2025, as detailed in Table 6.

AUM&A were $343.3 billion at June 30, 2026 compared to $283.9 billion at June 30, 2025, an increase of 20.9%. AUM&A excluding non-fee-bearing assets of $2.7 billion were $340.6 billion at June 30, 2026 compared to $283.9 billion at June 30, 2025, an increase of 20.0%. AUM were $319.7 billion at June 30, 2026, compared to $266.8 billion at June 30, 2025, an increase of 19.8%.

AUM&A net inflows in the second quarter of 2026 were $2.2 billion, compared to net inflows of $90 million in the second quarter of 2025. Second quarter investment fund net sales were $850 million, compared to net sales of $676 million in the second quarter of 2025. Net inflows for the six months ended June 30, 2026 were $7.8 billion, compared to net inflows of $4.2 billion in 2025. Net inflows of $7.8 billion included $3.1 billion of non-fee-bearing assets. Investment fund net sales for the six month period were $3.2 billion in 2026, compared to net sales of $1.5 billion in 2025. Net flows and net sales are based on AUM&A excluding sub-advisory assets to Canada Life and to the Wealth Management segment.

The Company also benefits from the underlying assets under management of the Company's investments in associates, including ChinaAMC, Northleaf, Rockefeller and its investment in Wealthsimple which is classified as FVTOCI. The Company has included its proportionate share of the AUM&A of these investments in its AUM&A Including SI based on its direct and indirect interest in these companies.

At June 30, 2026, ChinaAMC's AUM was RMB¥ 2,908.0 billion ($607.8 billion), compared to RMB¥ 2,851.2 billion ($542.3 billion) at June 30, 2025, an increase of 2.0% (CAD 12.1%). IGM Financial holds a 27.8% interest in ChinaAMC.

At June 30, 2026, Northleaf's AUM was $37.1 billion, compared to $32.8 billion at June 30, 2025, an increase of 13.1%. IGM Financial holds a 56% economic interest in Northleaf.

At June 30, 2026, Rockefeller's client assets were USD $224.3 billion ($318.5 billion), compared to USD $170.8 billion ($232.7 billion) at June 30, 2025, an increase of 31.3% (CAD 36.9%). IGM Financial holds a 17.2% interest in Rockefeller, compared to 20.5% at June 30, 2025.

At June 30, 2026, Wealthsimple's AUA was $155.6 billion, compared to $84.5 billion at June 30, 2025, an increase of 84.1%. IGM Financial holds a 25.1% interest in Wealthsimple, compared to 26.7% at June 30, 2025.

Changes in AUM&A for the Wealth Management and Asset Management segments are discussed further in each of their respective Review of the Business sections in the MD&A.

Summary of Quarterly Results

The Summary of Quarterly Results in Table 7 includes the eight most recent quarters and the reconciliation of non-IFRS financial measures to net earnings in accordance with IFRS.

Changes in average AUM&A over the eight most recent quarters, as shown in Table 7, largely reflect the impact of changes in domestic and foreign markets and net sales of the Company.

Table 6: AUM&A

	Wealth Management[1]		Asset Management[2]		Intercompany Eliminations		Consolidated	
($ millions)	**2026 Jun. 30**	2025 Jun. 30	**2026 Jun. 30**	2025 Jun. 30	**2026 Jun. 30**	2025 Jun. 30	**2026 Jun. 30**	2025 Jun. 30
Three months ended								
Gross flows								
Mutual fund gross sales[3]	**$ 4,673**	$ 3,775	**$ 3,253**	$ 2,104	**$ –**	$ –	**$ 7,926**	$ 5,879
Dealer gross inflows[4]	**4,544**	3,613	**–**	–	**–**	–	**4,544**	3,613
Net flows								
Mutual fund net sales[3][5]	**487**	489	**(426)**	(366)	**–**	–	**61**	123
ETF net creations	**–**	–	**789**	553	**–**	–	**789**	553
Investment fund net sales	**487**	489	**363**	187	**–**	–	**850**	676
Institutional SMA net sales[5][6]	**–**	–	**1,524**	(322)	**–**	–	**1,524**	(322)
IGM product net sales	**487**	489	**1,887**	(135)	**–**	–	**2,374**	354
Other dealer net flows	**(146)**	(264)	**–**	–	**–**	–	**(146)**	(264)
Total net flows[4]	**341**	225	**1,887**	(135)	**–**	–	**2,228**	90
Six months ended								
Gross flows								
Mutual fund gross sales[3]	**$ 10,836**	$ 8,682	**$ 7,316**	$ 4,741	**$ –**	$ –	**$ 18,152**	$ 13,423
Dealer gross inflows[4]	**12,792**	7,779	**–**	–	**–**	–	**12,792**	7,779
Net flows								
Mutual fund net sales[3][5]	**2,143**	1,433	**(682)**	(1,066)	**–**	–	**1,461**	367
ETF net creations	**–**	–	**1,774**	1,168	**–**	–	**1,774**	1,168
Investment fund net sales[7]	**2,143**	1,433	**1,092**	102	**–**	–	**3,235**	1,535
Institutional SMA net sales[5][6]	**–**	–	**2,458**	3,204	**–**	–	**2,458**	3,204
IGM product net sales	**2,143**	1,433	**3,550**	3,306	**–**	–	**5,693**	4,739
Other dealer net flows	**2,154**	(490)	**–**	–	**–**	–	**2,154**	(490)
Total net flows[4]	**4,297**	943	**3,550**	3,306	**–**	–	**7,847**	4,249

(1) Mackenzie Investment fund products sold through IG Wealth Management are reported within IG Wealth Management's AUM and Mackenzie Sub-advisory and AUM to Wealth Management.

(2) Asset Management flows activity excludes sub-advisory to Canada Life and the Wealth Management segment.

(3) Wealth Management AUM and net sales include separately managed accounts.

(4) In the first and second quarters of 2026, Wealth Management and Consolidated dealer gross inflows and total net flows included $3.1 billion and nil, respectively, of non-fee-bearing assets.

(5) In the second quarter of 2025, IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie.

(6) Sub-advisory, institutional and other accounts:
2026 Q2 – Mackenzie onboarded institutional mandates of $1.8 billion and institutional clients re-assigned sub-advisory responsibilities totalling $0.7 billion on mandates advised upon by Mackenzie as part of an overall asset allocation decision.
Q1 – Mackenzie onboarded institutional mandates of $1.2 billion.
2025 Q2 – An institutional investor redeemed $320 million within products that Mackenzie sub-advises.
Q1 – Mackenzie onboarded institutional mandates of $3.6 billion.

(7) In the first quarter of 2025, an institutional investor which includes Mackenzie mutual funds in its product offerings made fund allocation changes resulting in redemptions of $144 million.

Table 6: AUM&A (continued)

($ millions)	Wealth Management 2026 Jun. 30	Wealth Management 2025 Jun. 30	Asset Management 2026 Jun. 30	Asset Management 2025 Jun. 30	Intercompany Eliminations[1] 2026 Jun. 30	Intercompany Eliminations[1] 2025 Jun. 30	Consolidated 2026 Jun. 30	Consolidated 2025 Jun. 30
AUM&A								
IG Wealth Management								
AUM[2]	**$ 152,925**	$ 129,526						
Other AUA	**23,654**	17,138						
AUA	**176,579**	146,664						
AUA excl. non-fee-bearing assets	**173,854**	146,664						
Mackenzie Investments								
Mutual funds			**$ 70,222**	$ 62,488				
ETFs[3]			**15,333**	8,683				
Investment funds			**85,555**	71,171				
Institutional SMA			**19,899**	12,023				
Sub-advisory to Canada Life			**61,291**	54,031				
Total Institutional SMA			**81,190**	66,054				
Third Party AUM			**166,745**	137,225				
Sub-advisory and AUM to Wealth Management			**102,090**	87,352				
Total AUM			**268,835**	224,577				
Consolidated								
AUM	**$ 152,925**	$129,526	**$268,835**	$ 224,577	**$(102,090)**	$ (87,352)	**$ 319,670**	$266,751
AUM&A	**176,579**	146,664	**268,835**	224,577	**(102,090)**	(87,352)	**343,324**	283,889
AUM&A excl. non-fee-bearing assets	**173,854**	146,664	**268,835**	224,577	**(102,090)**	(87,352)	**340,599**	283,889
Strategic investments[4]								
ChinaAMC			**168,960**	150,748				
Northleaf			**20,775**	18,361				
Rockefeller	**54,797**	47,605						
Wealthsimple	**39,048**	22,567						
Intra-segment eliminations	**(488)**	(8)	**(1,403)**	(309)				
	93,357	70,164	**188,332**	168,800	**(2,877)**	(1,772)	**278,812**	237,192
Consolidated AUM&A Including SI	**$ 269,936**	$216,828	**$ 457,167**	$ 393,377	**$(104,967)**	$ (89,124)	**$622,136**	$ 521,081

(1) Consolidated results eliminate double counting where business is reflected within multiple segments.

(2) Wealth Management AUM includes separately managed accounts.

(3) ETF assets inclusive of IGM Financial's managed products were $29.9 billion at June 30, 2026 (2025 – $18.7 billion).

(4) Proportionate share of strategic investments' AUM comprised of 27.8% (2025 – 27.8%) of ChinaAMC's AUM, 56% (2025 – 56%) of Northleaf's AUM, 17.2% (2025 – 20.5%) of Rockefeller's client assets, and 25.1% (2025 – 26.7%) of Wealthsimple's AUA.

Table 7: Summary of Quarterly Results

		2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3
Consolidated statements of earnings *($ millions)*									
Revenues									
Wealth management	$	**771.5** $	729.7 $	731.7 $	696.8 $	649.4 $	639.5 $	647.5 $	616.0
Asset management		**280.0**	275.5	278.7	270.7	253.8	257.9	261.6	253.4
Dealer compensation expense		**(87.6)**	(87.1)	(88.3)	(86.2)	(82.3)	(85.1)	(85.2)	(82.8)
Net asset management		**192.4**	188.4	190.4	184.5	171.5	172.8	176.4	170.6
Net investment income and other		**18.7**	10.4	9.5	13.3	11.7	7.8	17.3	10.1
Proportionate share of associates' earnings		**83.0**	69.9	76.2	80.3	66.1	59.8	53.1	61.4
		1,065.6	998.4	1,007.8	974.9	898.7	879.9	894.3	858.1
Expenses									
Advisory and business development		**359.6**	338.5	337.3	309.1	304.8	301.3	298.3	278.3
Operations and support		**216.9**	231.7	220.1	219.6	212.3	214.4	215.2	210.2
Sub-advisory		**30.7**	28.1	27.1	25.3	23.2	23.1	22.5	21.2
Interest(1)		**33.8**	32.1	32.6	32.4	32.2	32.0	32.5	32.4
		641.0	630.4	617.1	586.4	572.5	570.8	568.5	542.1
Earnings before undernoted		**424.6**	368.0	390.7	388.5	326.2	309.1	325.8	316.0
Great West other items		**(6.5)**	(0.5)	(5.1)	(3.1)	(6.0)	(4.0)	–	(4.9)
Restructuring and other		**(95.3)**	–	–	–	–	–	–	–
Rockefeller equity compensation		**(0.9)**	–	–	–	–	–	–	–
Gain on partial sales of investment in associates		**9.9**	–	44.6	–	–	–	–	–
Earnings before income taxes		**331.8**	367.5	430.2	385.4	320.2	305.1	325.8	311.1
Income taxes		**68.8**	82.2	105.7	87.0	71.6	69.6	70.4	71.2
Net earnings		**263.0**	285.3	324.5	298.4	248.6	235.5	255.4	239.9
Non-controlling interest		**1.5**	1.5	2.1	0.3	1.9	1.7	0.7	0.7
Net earnings available to common shareholders	$	**261.5** $	283.8 $	322.4 $	298.1 $	246.7 $	233.8 $	254.7 $	239.2
Reconciliation of non-IFRS financial measures *($ millions)*									
Adjusted net earnings available to common shareholders(2)	$	**330.0** $	284.3 $	301.4 $	301.2 $	252.7 $	237.8 $	250.0 $	244.1
Other items:									
Great West other items		**(6.5)**	(0.5)	(5.1)	(3.1)	(6.0)	(4.0)	–	(4.9)
Restructuring and other, net of tax		**(70.1)**	–	–	–	–	–	–	–
Rockefeller equity compensation		**(0.9)**	–	–	–	–	–	–	–
Gain on partial sales of investment in associates, net of tax		**9.0**	–	26.1	–	–	–	–	–
Tax loss consolidation		**–**	–	–	–	–	–	4.7	–
Net earnings available to common shareholders	$	**261.5** $	283.8 $	322.4 $	298.1 $	246.7 $	233.8 $	254.7 $	239.2
Earnings per share *($)*									
Adjusted earnings per share(2)									
– Basic	$	**1.42** $	1.21 $	1.28 $	1.28 $	1.07 $	1.00 $	1.05 $	1.03
– Diluted		**1.41**	1.21	1.27	1.27	1.07	1.00	1.05	1.03
Earnings per share									
– Basic		**1.13**	1.21	1.37	1.26	1.04	0.99	1.07	1.01
– Diluted		**1.12**	1.20	1.36	1.26	1.04	0.98	1.07	1.01
Average outstanding shares – Diluted *(thousands)*		**233,887**	235,809	237,550	237,169	237,236	238,233	238,304	236,931
Average AUM&A *($ billions)*									
Investment fund AUM	$	**230.4** $	221.3 $	217.0 $	206.1 $	192.8 $	195.1 $	192.0 $	183.8
AUM		**308.2**	294.9	289.2	274.2	257.2	257.7	253.3	243.4
AUM&A		**331.0**	316.9	307.5	291.7	273.8	274.7	269.3	258.6
AUM&A excl. non-fee-bearing assets		**328.5**	314.8	307.5	291.7	273.8	274.7	269.3	258.6
Ending AUM&A *($ billions)*									
Investment fund AUM	$	**238.5** $	218.7 $	216.9 $	213.7 $	200.7 $	193.4 $	191.9 $	188.6
AUM		**319.7**	291.9	289.9	284.7	266.8	258.1	253.1	249.3
AUM&A		**343.3**	314.0	310.1	302.6	283.9	275.0	270.4	264.9
AUM&A excl. non-fee-bearing assets		**340.6**	311.4	310.1	302.6	283.9	275.0	270.4	264.9
Ending AUM&A Including SI *($ billions)*	$	**622.1** $	568.9 $	566.2 $	562.4 $	521.1 $	503.6 $	483.5 $	461.6

(1) Interest expense includes interest on long-term debt and leases.
(2) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

Wealth Management

Segment results are presented on the same basis as the fourth quarter of 2025 and should be read in conjunction with the MD&A included in the 2025 Annual Report.

Review of the Business

The Wealth Management segment includes IG Wealth Management and strategic investments in Rockefeller and Wealthsimple.

IG Wealth Management

IG Wealth Management is a leading wealth management company in Canada providing clients with personalized advice, comprehensive financial planning, insurance and mortgage services, and professionally managed investment solutions.

IG Wealth Management has a national distribution network of independent financial planners totalling more than 3,000 advisors in communities throughout Canada and provides advice through two primary channels:

- IG Wealth Management entrepreneurial advisors are focused on households with more complex needs by focusing on households with greater than $250,000 of assets.
- IG Wealth Management corporate channel advisors are focused on servicing households with less complex requirements with assets up to $250,000.

AUA consists of the following:

- Clients with household assets greater than $1 million (defined as “high net worth”) which totalled $93.6 billion at June 30, 2026, an increase of 39.4% from one year ago, and represented 53% of total AUA.
- Clients with household assets between $250,000 and $1 million (defined as “mass affluent”) which totalled $61.0 billion at June 30, 2026, an increase of 7.3% from one year ago, and represented 35% of total AUA.
- Clients with household assets less than $250,000 (defined as “mass market”) which totalled $21.8 billion at June 30, 2026, a decrease of 3.7% from one year ago, and represented 12% of total AUA.

The following provides a breakdown of the IG Wealth Management entrepreneurial advisor network into its significant components at June 30, 2026:

- 1,556 advisor practices (1,597 at June 30, 2025), which reflect advisors with more than four years of experience. These practices may include associates as described below. The level and productivity of advisor practices is a key measurement of our business as they serve clientele representing approximately 93% of AUA.
- 208 new advisors (209 at June 30, 2025), which are those advisors with less than four years of experience.
- 1,382 associates and regional vice-presidents (1,325 at June 30, 2025). Associates are licensed team members of advisor practices who provide financial planning services and advice to the clientele served by the team.
- IG Wealth Management had a total advisor network of 3,146 (3,131 at June 30, 2025).

IG Wealth Management uses advisor productivity as a key performance measure in evaluating its advisor network. The productivity is measured based on gross inflows per advisor and is monitored for both advisor recruits with less than four years experience and advisor practices with greater than four years experience. Experienced recruits are included within the greater than four years experience category.

- The advisor recruit’s gross inflows were $0.9 million per advisor, compared to $0.6 million in the comparative period of 2025.
- The advisor practices gross inflows were $2.6 million per practice, compared to $2.0 million in the comparative period of 2025.

IG Wealth Management distinguishes itself from competition by offering comprehensive financial planning solutions to our clients that synchronize every aspect of their financial life. IG Wealth Management services clients located in communities throughout

Canada. A primary focus is on advising and attracting high net worth and mass affluent clients.

For the distinct needs of the high net worth market, IG Private Wealth Management focuses on industry wealth drivers including:

- tax planning and optimization,
- retirement readiness,
- wealth transfer and estate planning,
- small and medium enterprise monetization,
- high net worth family wealth – dynamics, education and governance, and
- philanthropy and legacy planning.

IG Wealth Management has a broad range of products tailored to personalized plans that include:

- Financial solutions that include investment vehicles, focusing on managed solutions, designed to match risk and investment return expectations to each client's needs and requirements.
- Insurance products that include a variety of policy types from the leading insurers in Canada.
- Mortgage banking solutions that are offered as part of a comprehensive financial plan.

Wealth Management AUM and AUA

AUM and AUA are key performance indicators for the Wealth Management segment and are detailed in Tables 8 and 9.

Wealth Management AUA including strategic investments were $269.9 billion at June 30, 2026, compared to $216.8 billion at June 30, 2025. Strategic investments AUA is based on the Company's interest in these companies.

IG Wealth Management's AUA were $176.6 billion at June 30, 2026, an increase of 20.4% from June 30, 2025. IG Wealth Management's AUA excluding non-fee-bearing assets of $2.7 billion were $173.9 billion at June 30, 2026, an increase of 18.5% from June 30, 2025. The level of AUA is influenced by three factors: client inflows, client outflows and investment returns. AUA represents savings and investment products, including AUM where we provide investment management services, that are held within our clients' accounts. Advisory fees are charged based on an annual percentage of substantially all AUA, through the IG Advisory Account fee, and represent the majority of the fees earned from our clients. Our entrepreneurial advisors' compensation is also based on AUA and net assets contributed by our clients.

At June 30, 2026, Rockefeller's client assets were USD $224.3 billion ($318.5 billion), compared to USD $170.8 billion ($232.7 billion) at June 30, 2025, an increase of 31.3% (CAD 36.9%). IGM Financial holds a 17.2% interest in Rockefeller, compared to 20.5% at June 30, 2025.

At June 30, 2026, Wealthsimple's AUA was $155.6 billion, compared to $84.5 billion at June 30, 2025, an increase of 84.1%. IGM Financial holds a 25.1% interest in Wealthsimple at June 30, 2026, compared to 26.7% at June 30, 2025.

IG Wealth Management AUM and AUA

Change in AUM & AUA – 2026 vs. 2025

IG Wealth Management's AUA of $176.6 billion at June 30, 2026, a record quarter end high, increased 20.4% from $146.7 billion at June 30, 2025. IG Wealth Management's AUA excluding non-fee-bearing assets of $2.7 billion were $173.9 billion at June 30, 2026, an increase of 18.5% from $146.7 billion at June 30, 2025. IG Wealth Management's mutual fund AUM were $152.9 billion at June 30, 2026, representing an increase of 18.1% from $129.5 billion at June 30, 2025. Average daily mutual fund assets were $147.8 billion in the second quarter of 2026, up 18.7% from $124.5 billion in the second quarter of 2025. Average daily mutual fund assets were $144.8 billion for the six months ended June 30, 2026, an increase of 15.8% from $125.0 billion in 2025.

For the quarter ended June 30, 2026, gross client inflows of IG Wealth Management AUA were a record high of $4.5 billion, an increase of 25.8% from $3.6 billion in 2025. For the quarter ended June 30, 2026, gross inflows from newly acquired clients with more than $1.0 million of assets accounted for 37.6% of all newly acquired client inflows. Net client inflows were $341 million, compared to net client inflows of $225 million in the comparable period in 2025. During the second quarter, investment returns resulted in an increase of $13.6 billion in AUA, compared to an increase of $4.9 billion in the second quarter of 2025.

For the quarter ended June 30, 2026, sales of IG Wealth Management mutual funds through its advisor network were $4.7 billion, an increase of 23.8% from the comparable period in 2025. Mutual fund redemptions totalled $4.2 billion, an increase of 27.4% from 2025. IG Wealth Management mutual fund net sales for the second quarter of 2026 were $487 million, compared to net sales of $489 million in 2025. During the second quarter, investment returns resulted in an increase of

Table 8: Change in AUA – Wealth Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Change in AUA – IG Wealth Management					
Gross client inflows(1)	**$ 4,544**	$ 8,248	$ 3,613	(44.9)%	25.8 %
Gross client outflows(2)	**4,203**	4,292	3,388	(2.1)	24.1
Net flows(1)	**341**	3,956	225	(91.4)	51.6
Investment returns	**13,590**	(249)	4,910	N/M	176.8
Net change in assets	**13,931**	3,707	5,135	N/M	171.3
Beginning assets	**162,648**	158,941	141,529	2.3	14.9
Ending AUA	**$ 176,579**	$ 162,648	$ 146,664	8.6 %	20.4 %
Ending AUA excl. non-fee-bearing assets	**173,854**	160,048	146,664	8.6	18.5
Strategic investments ending AUA					
Rockefeller	**$ 54,797**	$ 48,645	$ 47,605	12.6 %	15.1 %
Wealthsimple	**39,048**	31,714	22,567	23.1	73.0
Intra-segment eliminations	**(488)**	(475)	(8)	(2.7)	N/M
	$ 93,357	$ 79,884	$ 70,164	16.9 %	33.1 %
Consolidated ending AUA including strategic investments	**$ 269,936**	$ 242,532	$ 216,828	11.3 %	24.5 %
Daily average AUA					
IG Wealth Management	**$ 170,605**	$ 163,803	$ 141,170	4.2 %	20.9 %
IG Wealth Management excl. non-fee-bearing assets	**168,108**	161,738	141,170	3.9	19.1

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Change in AUA – IG Wealth Management			
Gross client inflows(1)	**$ 12,792**	$ 7,779	64.4 %
Gross client outflows(2)	**8,495**	6,836	24.3
Net flows(1)	**4,297**	943	N/M
Investment returns	**13,341**	5,301	151.7
Net change in assets	**17,638**	6,244	182.5
Beginning assets	**158,941**	140,420	13.2
Ending AUA	**$ 176,579**	$ 146,664	20.4 %
Daily average AUA			
IG Wealth Management	**$ 167,223**	$ 141,831	17.9 %
IG Wealth Management excl. non-fee-bearing assets	**164,941**	141,831	16.3

(1) In the first and second quarters of 2026, gross client inflows and net flows included non-fee-bearing assets of $3.1 billion and nil, respectively.
(2) In the second quarter of 2025, IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie.

$11.9 billion in mutual fund assets, compared to an increase of $4.4 billion in the second quarter of 2025.

At June 30, 2026, 97.1% of IG Wealth Management mutual fund assets had a rating of three stars or better from Morningstar† fund ranking service and 67.8% had a rating of four or five stars. This compared to the Morningstar† universe of 87.9% for three stars or better and 61.9% for four and five star funds at June 30, 2026. Morningstar Ratings† are an objective, quantitative measure of a fund's three, five and ten year risk-adjusted performance relative to comparable funds.

IG Wealth Management's annualized quarterly redemption rate for long-term funds was 10.8% in the second quarter of 2026, compared to 9.7% in the second quarter of 2025. IG Wealth Management's twelve month trailing redemption rate for long-term funds was 10.9% at June 30, 2026, compared to 10.5% at June 30, 2025. The corresponding average twelve month trailing redemption rate for all other members of the Securities and Investment Management Association (SIMA), was approximately 15.5% at June 30, 2026, based on SIMA-reported industry data.

Table 9: Change in AUM – IG Wealth Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Sales	**$ 4,673**	$ 6,163	$ 3,775	(24.2)%	23.8 %
Redemptions(1)	**4,186**	4,507	3,286	(7.1)	27.4
Net sales (redemptions)	**487**	1,656	489	(70.6)	(0.4)
Investment returns	**11,918**	116	4,392	N/M	171.4
Net change in assets	**12,405**	1,772	4,881	N/M	154.1
Beginning assets	**140,520**	138,748	124,645	1.3	12.7
Ending assets	**$ 152,925**	$ 140,520	$ 129,526	8.8 %	18.1 %
Daily average AUM	**$ 147,762**	$ 141,753	$ 124,484	4.2 %	18.7 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Sales	**$ 10,836**	$ 8,682	24.8 %
Redemptions(1)	**8,693**	7,249	19.9
Net sales (redemptions)	**2,143**	1,433	49.5
Investment returns	**12,034**	4,893	145.9
Net change in assets	**14,177**	6,326	124.1
Beginning assets	**138,748**	123,200	12.6
Ending assets	**$ 152,925**	$ 129,526	18.1 %
Daily average AUM	**$ 144,774**	$ 124,968	15.8 %

(1) In the second quarter of 2025, IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie.

For the six months ended June 30, 2026, gross client inflows of IG Wealth Management AUA were $12.8 billion and represented an increase of 64.4% from $7.8 billion in the comparable period in 2025. For the six months ended June 30, 2026, gross inflows from newly acquired clients with more than $1.0 million of assets accounted for 69.2% of all newly acquired client inflows. Net client inflows were $4.3 billion in the six month period, an increase of $3.4 billion from net client inflows of $943 million in the comparable period in 2025. During 2026, investment returns resulted in an increase of $13.3 billion in AUA compared to an increase of $5.3 billion in 2025. Gross client inflows and net client inflows for the six months ended June 30, 2026 included $3.1 billion of non-fee-bearing assets.

For the six months ended June 30, 2026, sales of IG Wealth Management mutual funds through its advisor network were $10.8 billion, an increase of 24.8% from 2025. Mutual fund redemptions totalled $8.7 billion, an increase of 19.9% from 2025. Net sales of IG Wealth Management mutual funds were $2.1 billion compared with net sales of $1.4 billion in 2025. During 2026, investment returns resulted in an increase of $12.0 billion in mutual fund assets compared to an increase of $4.9 billion in 2025.

In the second quarter of 2025, the IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie Investments. Excluding this transaction, net client inflows and net sales for the six month period of 2025 were $967 million and $1.5 billion.

Change in AUM & AUA – Q2 2026 vs. Q1 2026

IG Wealth Management's AUA were $176.6 billion at June 30, 2026, an increase of 8.6% from $162.6 billion at March 31, 2026. IG Wealth Management's AUA excluding non-fee-bearing assets were $173.9 billion at June 30, 2026, an increase of 8.6% from $160.0 billion at March 31, 2026. Non-fee-bearing assets were $2.7 billion at June 30, 2026, compared to $2.6 billion at March 31, 2026. IG Wealth Management's mutual fund AUM were $152.9 billion at June 30, 2026, an increase of 8.8% from $140.5 billion at March 31, 2026. Average daily mutual fund assets were $147.8 billion in the second quarter of 2026, compared to $141.8 billion in the first quarter of 2026, an increase of 4.2%.

For the quarter ended June 30, 2026, gross client inflows of IG Wealth Management AUA were $4.5 billion, compared to $8.2 billion in the prior quarter. Net client inflows were $341 million, compared to net client inflows of $4.0 billion in the prior quarter. During the second quarter, investment returns resulted in an increase of $13.6 billion in AUA, compared to a decrease of $249 million in the prior quarter. Gross client inflows and net client inflows for the first and second quarters of 2026 included $3.1 billion and nil, respectively, of non-fee-bearing assets.

For the quarter ended June 30, 2026, sales of IG Wealth Management mutual funds through its advisor network were $4.7 billion, a decrease of 24.2% from the first quarter of 2026. Mutual fund redemptions totalled $4.2 billion for the second quarter, a decrease of 7.1% from the previous quarter, and the annualized quarterly redemption rate was 10.8% in the second quarter, compared to 12.2% in the first quarter of 2026. IG Wealth Management mutual fund net sales were $487 million for the current quarter, compared to net sales of $1.7 billion in the previous quarter.

Review of Segment Operating Results

The Wealth Management segment's adjusted net earnings are presented in Table 10 and include the operations of IG Wealth Management and earnings related to strategic investments.

IG Wealth Management

IG Wealth Management's adjusted net earnings are presented within Table 11. Adjusted net earnings for the second quarter of 2026 were $174.7 million, an increase of 32.9% from the second quarter in 2025 and an increase of 9.9% from the prior quarter. Adjusted net earnings for the six months ended June 30, 2026 were $333.6 million, an increase of 28.4% from 2025.

Adjusted earnings before interest and taxes for the second quarter of 2026 were $264.5 million, an increase of 29.5% from the second quarter in 2025 and an increase of 9.3% from the prior quarter. Adjusted earnings before interest and taxes for the six months ended June 30, 2026 were $506.6 million, an increase of 25.1% from 2025.

2026 vs. 2025

Fee Income

Advisory fees include fees for providing financial advice to clients including fees related to the distribution of products and net client interest income which depend largely on the level and composition of AUA. Advisory fees were $402.3 million in the second quarter of 2026,

Table 10: Operating Results – Wealth Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Wealth Management					
Advisory fees	**$ 402.3**	$ 385.2	$ 346.3	4.4 %	16.2 %
Product and program fees	**313.8**	297.9	263.7	5.3	19.0
	716.1	683.1	610.0	4.8	17.4
Other financial planning revenues	**61.1**	51.6	43.0	18.4	42.1
Total Wealth Management	**777.2**	734.7	653.0	5.8	19.0
Net investment income and other	**3.1**	2.9	2.2	6.9	40.9
Proportionate share of associates' earnings	**0.1**	(2.5)	(0.4)	N/M	N/M
	780.4	735.1	654.8	6.2	19.2
Expenses					
Advisory and business development					
Asset-based compensation	**216.9**	208.8	182.4	3.9	18.9
Sales-based compensation	**31.5**	30.7	28.2	2.6	11.7
Other					
Other product commissions	**34.3**	27.7	24.3	23.8	41.2
Business development	**51.0**	44.3	48.5	15.1	5.2
	85.3	72.0	72.8	18.5	17.2
Total advisory and business development	**333.7**	311.5	283.4	7.1	17.7
Operations and support	**121.1**	126.2	116.1	(4.0)	4.3
Sub-advisory	**61.4**	58.1	51.6	5.7	19.0
	516.2	495.8	451.1	4.1	14.4
Adjusted earnings before interest and taxes[(1)]	**264.2**	239.3	203.7	10.4	29.7
Interest expense	**27.1**	25.7	25.8	5.4	5.0
Adjusted earnings before income taxes[(1)]	**237.1**	213.6	177.9	11.0	33.3
Income taxes	**62.7**	57.5	47.1	9.0	33.1
Adjusted net earnings[(1)]	**$ 174.4**	$ 156.1	$ 130.8	11.7 %	33.3 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

Table 10: Operating Results – Wealth Management (continued)

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Revenues			
Wealth Management			
Advisory fees	**$ 787.5**	$ 688.4	14.4 %
Product and program fees	**611.7**	527.6	15.9
	1,399.2	1,216.0	15.1
Other financial planning revenues	**112.7**	79.8	41.2
Total Wealth Management	**1,511.9**	1,295.8	16.7
Net investment income and other	**6.0**	4.3	39.5
Proportionate share of associates' earnings	**(2.4)**	(4.1)	41.5
	1,515.5	1,296.0	16.9
Expenses			
Advisory and business development			
Asset-based compensation	**425.7**	366.4	16.2
Sales-based compensation	**62.2**	55.9	11.3
Other			
Other product commissions	**62.0**	44.6	39.0
Business development	**95.3**	91.6	4.0
	157.3	136.2	15.5
Total advisory and business development	**645.2**	558.5	15.5
Operations and support	**247.3**	234.0	5.7
Sub-advisory	**119.5**	103.1	15.9
	1,012.0	895.6	13.0
Adjusted earnings before interest and taxes(1)	**503.5**	400.4	25.7
Interest expense	**52.8**	51.3	2.9
Adjusted earnings before income taxes(1)	**450.7**	349.1	29.1
Income taxes	**120.2**	94.0	27.9
Adjusted net earnings(1)	**$ 330.5**	$ 255.1	29.6 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

an increase of $56.0 million or 16.2% from $346.3 million in 2025. For the six months ended June 30, 2026, advisory fees were $787.5 million, an increase of $99.1 million or 14.4% from $688.4 million in 2025.

The increase in advisory fees in the three months ending June 30, 2026 was primarily due to an increase in average AUA excluding non-fee-bearing assets of 19.1%, as shown in Table 8, partially offset by a decrease in the advisory fee rate. The increase in advisory fees in the six months ending June 30, 2026 was primarily due to the increase in average AUA excluding non-fee-bearing assets of 16.3%. The average advisory fee rate for the second quarter was 96.0 basis points of average AUA excluding non-fee-bearing assets, compared to 98.4 basis points in 2025. The average advisory fee rate for the six months ended June 30, 2026 was 96.3 basis points of average AUA excluding non-fee-bearing assets, compared to 97.9 basis points in 2025. Average fee rates will fluctuate based on product mix and client AUA levels.

Product and program fees depend largely on the level and composition of mutual fund AUM. Product and program fees totalled $313.8 million in the current quarter, up 19.0% from $263.7 million a year ago primarily due to the increase in average AUM of 18.7%, as shown in Table 9. Product and program fees were $611.7 million for the six month period ended June 30, 2026 compared to $527.6 million in 2025, an increase of 15.9% primarily due to an increase in average AUM of 15.8%. The average product and program fee rate for the three and six month periods ending June 30, 2026 were 85.2 basis points of AUM, compared to 85.0 and 85.1 basis points, respectively, for the comparable periods in 2025.

Other financial planning revenues of $61.1 million for the second quarter of 2026 increased by $18.1 million from

Table 11: Operating Results – IG Wealth Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Wealth Management					
Advisory fees	**$ 402.3**	$ 385.2	$ 346.3	4.4 %	16.2 %
Product and program fees	**313.8**	297.9	263.7	5.3	19.0
	716.1	683.1	610.0	4.8	17.4
Other financial planning revenues	**61.1**	51.6	43.0	18.4	42.1
Total Wealth Management	**777.2**	734.7	653.0	5.8	19.0
Net investment income and other	**3.1**	2.9	2.2	6.9	40.9
	780.3	737.6	655.2	5.8	19.1
Expenses					
Advisory and business development					
Asset-based compensation	**216.9**	208.8	182.4	3.9	18.9
Sales-based compensation	**31.5**	30.7	28.2	2.6	11.7
Other					
Other product commissions	**34.3**	27.7	24.3	23.8	41.2
Business development	**51.0**	44.3	48.5	15.1	5.2
	85.3	72.0	72.8	18.5	17.2
Total advisory and business development	**333.7**	311.5	283.4	7.1	17.7
Operations and support	**120.7**	125.9	115.9	(4.1)	4.1
Sub-advisory	**61.4**	58.1	51.6	5.7	19.0
	515.8	495.5	450.9	4.1	14.4
Adjusted earnings before interest and taxes(1)	**264.5**	242.1	204.3	9.3	29.5
Interest expense	**27.1**	25.7	25.8	5.4	5.0
Adjusted earnings before income taxes(1)	**237.4**	216.4	178.5	9.7	33.0
Income taxes	**62.7**	57.5	47.0	9.0	33.4
Adjusted net earnings(1)	**$ 174.7**	$ 158.9	$ 131.5	9.9 %	32.9 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

$43.0 million in 2025. For the six month period, other financial planning revenues of $112.7 million increased by $32.9 million from $79.8 million in 2025. The change for the three and six month periods was primarily due to higher earnings from mortgage banking operations and higher revenues from the distribution of insurance products.

A summary of mortgage banking operations for the periods under review is presented in Table 12.

Net Investment Income and Other

Net investment income and other consists of unrealized gains or losses on investments in proprietary funds, investment income earned on our cash and cash equivalents and securities, and other income not related to our core business. It also includes a charge from the Corporate and Other segment for the use of unallocated capital.

Expenses

Asset-based compensation includes compensation paid to both the entrepreneurial advisor and the corporate channels. The entrepreneurial advisor channel compensation fluctuates primarily with the value of AUA and product mix while the corporate channel fluctuates largely based on the number of clients within the channel. Asset-based compensation increased by $34.5 million and $59.3 million for the three and six month periods ended June 30, 2026 to $216.9 million and $425.7 million, respectively, compared to 2025. The increase for both the three and six month periods was primarily due to increases in AUA.

IG Wealth Management sales-based compensation is based upon the level of net new assets contributed to client accounts at IG Wealth Management (subject to eligibility requirements). All sales-based compensation

Table 11: Operating Results – IG Wealth Management (continued)

Six months ended *($ millions)*	2026 Jun. 30	2025 Jun. 30	Change
Revenues			
Wealth Management			
Advisory fees	**$ 787.5**	$ 688.4	14.4 %
Product and program fees	**611.7**	527.6	15.9
	1,399.2	1,216.0	15.1
Other financial planning revenues	**112.7**	79.8	41.2
Total Wealth Management	**1,511.9**	1,295.8	16.7
Net investment income and other	**6.0**	4.3	39.5
	1,517.9	1,300.1	16.8
Expenses			
Advisory and business development			
Asset-based compensation	**425.7**	366.4	16.2
Sales-based compensation	**62.2**	55.9	11.3
Other			
Other product commissions	**62.0**	44.6	39.0
Business development	**95.3**	91.6	4.0
	157.3	136.2	15.5
Total advisory and business development	**645.2**	558.5	15.5
Operations and support	**246.6**	233.5	5.6
Sub-advisory	**119.5**	103.1	15.9
	1,011.3	895.1	13.0
Adjusted earnings before interest and taxes[1]	**506.6**	405.0	25.1
Interest expense	**52.8**	51.3	2.9
Adjusted earnings before income taxes[1]	**453.8**	353.7	28.3
Income taxes	**120.2**	93.8	28.1
Adjusted net earnings[1]	**$ 333.6**	$ 259.9	28.4 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

payments are capitalized and amortized as they reflect incremental costs to obtain a client contract. Sales-based compensation was $31.5 million for the second quarter of 2026, an increase of $3.3 million from $28.2 million in 2025. For the six month period, sales-based compensation expense was $62.2 million, an increase of $6.3 million from $55.9 million in 2025.

Other advisory and business development expenses were $85.3 million in the second quarter of 2026, compared to $72.8 million in 2025, an increase of $12.5 million. Other advisory and business development expenses were $157.3 million in the six months ended June 30, 2026, an increase of $21.1 million from $136.2 million in 2025. The increases in both periods were primarily from higher volume from the distribution of insurance products.

Operations and support includes costs that support our wealth management and other general and administrative functions such as product management, technology and operations, as well as other functional business units and corporate expenses. Operations and support expenses were $120.7 million for the second quarter of 2026, compared to $115.9 million in 2025, an increase of $4.8 million. For the six month period, operations and support expenses were $246.6 million in 2026 compared to $233.5 million in 2025, an increase of $13.1 million or 5.6%.

Sub-advisory expenses were $61.4 million for the second quarter of 2026, compared to $51.6 million in 2025, an increase of $9.8 million or 19.0%. For the six month period, sub-advisory expenses were $119.5 million in 2026 compared to $103.1 million in 2025, an increase of $16.4 million or 15.9%. The change in both periods was primarily due to changes in AUM.

Table 12: Mortgage Banking Operations – IG Wealth Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Total mortgage banking income					
Net interest income on securitized loans					
Interest income	**$ 49.5**	$ 48.0	$ 49.6	3.1 %	(0.2)%
Interest expense	**43.6**	44.3	47.4	(1.6)	(8.0)
Net interest income	**5.9**	3.7	2.2	59.5	168.2
Gains (losses) on sales(1)	**1.0**	1.6	1.6	(37.5)	(37.5)
Fair value adjustments	**(0.3)**	0.7	(1.4)	N/M	78.6
Other	**3.7**	3.4	3.3	8.8	12.1
	$ 10.3	$ 9.4	$ 5.7	9.6 %	80.7 %
Average mortgages serviced					
Securitizations	**$ 4,655**	$ 4,714	$ 4,953	(1.3)%	(6.0)%
Other	**2,091**	2,070	1,891	1.0	10.6
	$ 6,746	$ 6,784	$ 6,844	(0.6)%	(1.4)%
Mortgage sales to:(2)					
Securitizations	**$ 439**	$ 400	$ 367	9.7 %	19.6 %
Other(1)	**155**	214	238	(27.6)	(34.9)
	$ 594	$ 614	$ 605	(3.3)%	(1.8)%

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Total mortgage banking income			
Net interest income on securitized loans			
Interest income	**$ 97.5**	$ 98.7	(1.2)%
Interest expense	**87.9**	94.5	(7.0)
Net interest income	**9.6**	4.2	128.6
Gains (losses) on sales(1)	**2.6**	2.8	(7.1)
Fair value adjustments	**0.4**	(2.2)	N/M
Other	**7.1**	6.4	10.9
	$ 19.7	$ 11.2	75.9 %
Average mortgages serviced			
Securitizations	**$ 4,684**	$ 4,991	(6.2)%
Other	**2,082**	1,837	13.3
	$ 6,766	$ 6,828	(0.9)%
Mortgage sales to:(2)			
Securitizations	**$ 839**	$ 657	27.7 %
Other(1)	**369**	377	(2.1)
	$ 1,208	$ 1,034	16.8 %

(1) Represents sales to institutional investors through private placements and to IG Mackenzie Mortgage and Short Term Income Fund, as well as gains (losses) realized on those sales.
(2) Represents principal amounts sold.

Interest Expense

Interest expense, which includes allocated interest expense on long-term debt and interest expense on leases, totalled $27.1 million in the second quarter of 2026, compared to $25.8 million from 2025. For the six month period, interest expense totalled $52.8 million compared to $51.3 million in 2025. The change in interest expense for the three and six month periods resulted from the impact of the issuance of $400 million debentures on June 2, 2026. Long-term debt interest expense is calculated based on an allocation of IGM Financial's long-term debt to IG Wealth Management which was $2.27 billion at June 30, 2026.

Q2 2026 vs. Q1 2026

Fee Income

Advisory fee income increased by $17.1 million to $402.3 million in the second quarter of 2026, compared to the first quarter of 2026. The increase in advisory fees in the second quarter was primarily due to an increase in average AUA excluding non-fee-bearing assets of 3.9% for the quarter, as shown in Table 8, and one additional calendar day in the quarter, partially offset by a decrease in fee rate. The average advisory fee rate for the second quarter was 96.0 basis points of average AUA excluding non-fee-bearing assets, compared to 96.6 basis points in the first quarter. Fee rates are determined based on client AUA levels and the average rate will fluctuate based on changes in a client's AUA as well as product mix.

Product and program fees were $313.8 million in the second quarter of 2026, an increase of $15.9 million from $297.9 million in the first quarter of 2026. The increase was primarily due to an increase in average AUM of 4.2%, as shown in Table 9, and one additional calendar day in the quarter. The average product and program fee rate for the second quarter was 85.2 basis points of AUM, unchanged from the first quarter.

Other financial planning revenues of $61.1 million in the second quarter of 2026 increased by $9.5 million from $51.6 million in the first quarter, primarily due to higher revenues from the distribution of insurance products.

Expenses

Advisory and business development expenses in the current quarter were $333.7 million, an increase of $22.2 million from $311.5 million in the previous quarter. The increase is primarily due to increased asset-based compensation as a result of higher AUA and higher volume from the distribution of insurance products.

Operations and support expenses were $120.7 million for the second quarter of 2026, compared to $125.9 million in the previous quarter as a result of timing of certain expenses.

Wealth Management Strategic Investments

Wealth Management strategic investment's adjusted net earnings are presented within Table 13. Adjusted net earnings for the second quarter of 2026 were ($0.3) million, compared to ($0.7) million in 2025 and ($2.8) million in the prior quarter. Adjusted net earnings for the six months were ($3.1) million, compared to ($4.8) million in 2025.

Table 13: Operating Results – Wealth Management Strategic Investments

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Proportionate share of associates' earnings					
Rockefeller	**$ 0.3**	$ (1.8)	$ (0.7)	N/M %	N/M %
Other	**(0.2)**	(0.7)	0.3	71.4	N/M
	0.1	(2.5)	(0.4)	N/M	N/M
Expenses					
Operations and support	**0.4**	0.3	0.2	33.3	100.0
Adjusted earnings before income taxes[1]	**(0.3)**	(2.8)	(0.6)	89.3	50.0
Income taxes	**–**	–	0.1	–	(100.0)
Adjusted net earnings[1]	**$ (0.3)**	$ (2.8)	$ (0.7)	89.3 %	57.1 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Revenues			
Proportionate share of associates' earnings			
Rockefeller	**$ (1.5)**	$ (5.0)	70.0 %
Other	**(0.9)**	0.9	N/M
	(2.4)	(4.1)	41.5
Expenses			
Operations and support	**0.7**	0.5	40.0
Adjusted earnings before income taxes[1]	**(3.1)**	(4.6)	32.6
Income taxes	**–**	0.2	(100.0)
Adjusted net earnings[1]	**$ (3.1)**	$ (4.8)	35.4 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

Asset Management

Segment results are presented on the same basis as the fourth quarter of 2025 and should be read in conjunction with the MD&A included in the 2025 Annual Report.

Review of the Business

The Asset Management segment includes Mackenzie Investments and strategic investments in ChinaAMC and Northleaf.

2026 Developments

Northleaf

Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, the Company completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 4.9%, net of NCI, to 60.9%, for cash consideration of $43 million. As a result of the transactions, the Company will consolidate Northleaf within the Asset Management segment effective July 1, 2026.

Northleaf is a global private equity, private credit and infrastructure investment firm with more than $37 billion in assets under management, reflecting commitments raised to date from more than 375 institutional and family office investors and a growing number of wealth, asset management and insurance partners. Northleaf sources, evaluates and manages private markets investments, with a focus on mid-market companies and assets. Northleaf's 320-person team is located across offices in Canada, the U.S., U.K., Australia, South Korea and Japan.

Mackenzie Investments

Mackenzie Investments is a diversified asset management solutions provider offering a wide range of investment mandates through a boutique structure across multiple distribution channels.

Investment Management

Mackenzie has $268.8 billion in AUM at June 30, 2026, including $102.1 billion of sub-advisory mandates to the Wealth Management segment.

Mackenzie delivers its investment offerings through a boutique structure, with separate in-house investment teams which each have a distinct focus and investment approach. Mackenzie's 56% economic interest in Northleaf enhances its investment capabilities by offering global private equity, private credit and infrastructure investment solutions to our clients.

Mackenzie supplements its investment capabilities through the use of third party sub-advisors and strategic beta index providers in selected areas.

Distribution and Products

Our business focuses on three key distribution channels: retail, strategic alliances and institutional.

Mackenzie primarily distributes its retail investment products through third party financial advisors. Our sales teams work with many of the more than 30,000 independent financial advisors and their firms across Canada. Our innovative, comprehensive lineup of investment solutions covers all asset classes and parts of the globe. We offer a range of relevant products and investment solutions designed to help advisors meet the evolving needs of their clients. We regularly introduce new funds and we may merge or streamline our fund offerings to provide enhanced investment solutions.

In addition to our retail distribution team, Mackenzie also has specialty teams focused on strategic alliances and the institutional marketplace.

Within the strategic alliance channel, Mackenzie offers certain series of mutual funds and provides sub-advisory services to third party and related party investment programs offered by banks, insurance companies and other investment companies. Strategic alliances with related parties include providing advisory services to IG Wealth Management and Great West subsidiaries. Mackenzie partners with Wealthsimple to distribute ETFs through their product shelf and serves as one of two exclusive investment solutions providers to PFSL Investment Canada Ltd. (Primerica) by offering a suite of 28 funds designed to address the specific needs of Primerica advisors and their clients.

In the institutional channel, Mackenzie provides investment management services to pension plans, foundations and other institutions.

Mackenzie continually evolves its product shelf, which includes mutual funds, alternative funds, exchange traded funds (ETF), and a variety of institutional investment vehicles.

Asset Management AUM

AUM is a key performance indicator for the Asset Management segment.

The changes in total AUM are summarized in Table 14 and the changes in investment fund AUM are summarized in Table 15. Assets managed for the Wealth Management segment are included in total AUM.

Asset Management AUM including strategic investments were $457.2 billion at June 30, 2026, compared to $393.4 billion at June 30, 2025. Strategic investments AUM is based on the Company's interest in these companies.

At June 30, 2026, Mackenzie's total AUM were $268.8 billion, an increase of 19.7% from $224.6 billion last year. Mackenzie's total third party AUM were $166.7 billion, an increase of 21.5% from $137.2 billion last year. The change in Mackenzie's AUM is determined by investment returns and net contributions from our clients.

At June 30, 2026, ChinaAMC's AUM was RMB¥ 2,908.0 billion ($607.8 billion), compared to RMB¥ 2,851.2 billion ($542.3 billion) at June 30, 2025, an increase of 2.0% (CAD 12.1%). Mackenzie holds a 27.8% interest in ChinaAMC.

At June 30, 2026, Northleaf's AUM was $37.1 billion, compared to $32.8 billion at June 30, 2025, an increase of 13.1%. Mackenzie holds a 56% economic interest in Northleaf.

Mackenzie Investments AUM

Change in AUM – 2026 vs. 2025

Mackenzie's total AUM at June 30, 2026 of $268.8 billion, a record quarter end high, increased 19.7% from $224.6 billion at June 30, 2025. Third party AUM were $166.7 billion, an increase of 21.5% from $137.2 billion at June 30, 2025.

Investment fund AUM were $85.6 billion at June 30, 2026, a record quarter end high, compared to $71.2 billion at June 30, 2025, an increase of 20.2%. Mackenzie's mutual fund AUM of $70.2 billion increased by 12.4% from $62.5 billion at June 30, 2025. Mackenzie's ETF assets excluding ETFs held within IGM Financial's managed products were $15.3 billion at June 30, 2026, an increase of 76.6% from $8.7 billion at June 30, 2025. ETF assets inclusive of IGM Financial's managed products were $29.9 billion at June 30, 2026 compared to $18.7 billion at June 30, 2025.

In the three months ended June 30, 2026, Mackenzie's mutual fund gross sales were $3.3 billion, an increase of 54.6%, compared to $2.1 billion in 2025. Mutual fund redemptions in the current quarter were $3.7 billion, an increase of 48.9% from last year. Mutual fund net redemptions for the three months ended June 30, 2026 were $426 million, compared to net redemptions of $366 million last year. In the three months ended June 30, 2026, ETF net creations were $789 million, compared to $553 million last year. Investment fund net sales in the current quarter were $363 million, compared to net sales of $187 million last year. During the current quarter, investment returns resulted in investment fund assets increasing by $7.0 billion compared to an increase of $2.2 billion last year.

Long-term investment performance is a key measure of Mackenzie's ongoing success. At June 30, 2026, 54.9% of Mackenzie mutual fund assets were rated in the top two performance quartiles for the one year time frame, 54.0% for the three year time frame and 64.1% for the five year time frame. Mackenzie also monitors its fund performance relative to the ratings it receives on its mutual funds from the Morningstar† fund ranking service. At June 30, 2026, 81.9% of Mackenzie mutual fund assets measured by Morningstar† had a rating of three stars or better and 50.9% had a rating of four or five stars. This compared to the Morningstar† universe of 87.9% for three stars or better and 61.9% for four and five star funds at June 30, 2026.

Total net sales excluding sub-advisory to Canada Life and to the Wealth Management segment for the three months ended June 30, 2026 were $1.9 billion, compared to net redemptions of $135 million last year. During the current quarter, investment returns resulted in assets increasing by $9.9 billion, compared to an increase of $2.8 billion last year.

During the second quarter of 2026, Mackenzie onboarded institutional mandates of $1.8 billion

Table 14: Change in Total AUM – Asset Management

Three months ended ($ millions)	2026 Jun. 30	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Mackenzie AUM excluding sub-advisory to Canada Life and the Wealth Management segment					
Net sales (redemptions)					
Mutual funds	**$ (426)**	$ (256)	$ (366)	(66.4)%	(16.4)%
ETF net creations	**789**	985	553	(19.9)	42.7
Investment funds[1][2]	**363**	729	187	(50.2)	94.1
Sub-advisory, institutional and other accounts[3][4]	**1,524**	934	(322)	63.2	N/M
Total net sales (redemptions)	**1,887**	1,663	(135)	13.5	N/M
Investment returns	**9,938**	(658)	2,783	N/M	N/M
Net change in assets	**11,825**	1,005	2,648	N/M	N/M
Beginning assets	**93,629**	92,624	80,546	1.1	16.2
Ending assets	**$ 105,454**	$ 93,629	$ 83,194	12.6 %	26.8 %
Mackenzie consolidated AUM					
Mutual funds	**$ 70,222**	$ 64,812	$ 62,488	8.3 %	12.4 %
ETFs	**15,333**	13,361	8,683	14.8	76.6
Investment funds[1][2]	**85,555**	78,173	71,171	9.4	20.2
Sub-advisory, institutional and other accounts	**19,899**	15,456	12,023	28.7	65.5
	105,454	93,629	83,194	12.6	26.8
Sub-advisory to Canada Life	**61,291**	57,720	54,031	6.2	13.4
Third party AUM	**166,745**	151,349	137,225	10.2	21.5
Sub-advisory and AUM to Wealth Management[2]	**102,090**	94,604	87,352	7.9	16.9
Consolidated AUM	**$ 268,835**	$ 245,953	$ 224,577	9.3 %	19.7 %
Strategic investments ending AUM					
ChinaAMC	**$ 168,960**	$ 157,928	$ 150,748	7.0 %	12.1 %
Northleaf	**20,775**	20,176	18,361	3.0	13.1
Intra-segment eliminations	**(1,403)**	(498)	(309)	(181.7)	N/M
	$ 188,332	$ 177,606	$ 168,800	6.0 %	11.6 %
Consolidated ending AUM including strategic investments	**$ 457,167**	$ 423,559	$ 393,377	7.9 %	16.2 %
Mackenzie average total AUM[5]					
Third party AUM	**$ 160,392**	$ 153,111	$ 132,675	4.8 %	20.9 %
Consolidated AUM	**259,158**	248,151	217,923	4.4	18.9

(1) Investment fund AUM and net sales exclude investments into Mackenzie mutual funds and ETFs by IGM Financial's investment funds.
(2) Mackenzie investment fund products sold through IG Wealth Management are included in Sub-advisory and AUM to Wealth Management.
(3) Sub-advisory, institutional and other accounts:
2026 Q2 – Mackenzie onboarded institutional mandates of $1.8 billion and institutional clients re-assigned sub-advisory responsibilities totalling $0.7 billion on mandates advised upon by Mackenzie as part of an overall asset allocation decision.
Q1 – Mackenzie onboarded institutional mandates of $1.2 billion.
2025 Q2 – An institutional investor redeemed $320 million within products that Mackenzie sub-advises.
(4) In the second quarter of 2025, IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie.
(5) Based on daily average investment fund assets and month-end average sub-advisory, institutional and other assets.

Table 14: Change in Total AUM – Asset Management (continued)

Six months ended *($ millions)*	2026 Jun. 30	2025 Jun. 30	Change
Mackenzie AUM excluding sub-advisory to Canada Life and the Wealth Management segment			
Net sales (redemptions)			
Mutual funds	**$ (682)**	$ (1,066)	36.0 %
ETF net creations	**1,774**	1,168	51.9
Investment funds[(1)(2)(3)]	**1,092**	102	N/M
Sub-advisory, institutional and other accounts[(4)(5)]	**2,458**	3,204	(23.3)
Total net sales (redemptions)	**3,550**	3,306	7.4
Investment returns	**9,280**	2,820	N/M
Net change in assets	**12,830**	6,126	109.4
Beginning assets	**92,624**	77,068	20.2
Ending assets	**$ 105,454**	$ 83,194	26.8 %
Mackenzie average total AUM[(6)]			
Third party AUM	**$ 157,237**	$ 132,493	18.7 %
Consolidated AUM	**254,395**	217,768	16.8

(1) Investment fund AUM and net sales exclude investments into Mackenzie mutual funds and ETFs by IGM Financial's investment funds.

(2) Mackenzie investment fund products sold through IG Wealth Management are included in Sub-advisory and AUM to Wealth Management.

(3) In the first quarter of 2025, an institutional investor which includes Mackenzie mutual funds in its product offerings made fund allocation changes resulting in redemptions of $144 million.

(4) Sub-advisory, institutional and other accounts:
2026 Q2 – Mackenzie onboarded institutional mandates of $1.8 billion and institutional clients re-assigned sub-advisory responsibilities totalling $0.7 billion on mandates advised upon by Mackenzie as part of an overall asset allocation decision.
Q1 – Mackenzie onboarded institutional mandates of $1.2 billion.
2025 Q2 – An institutional investor redeemed $320 million within products that Mackenzie sub-advises.
Q1 – Mackenzie onboarded institutional mandates of $3.6 billion.

(5) In the second quarter of 2025, IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie.

(6) Based on daily average investment fund assets and month-end average sub-advisory, institutional and other assets.

and institutional clients re-assigned sub-advisory responsibilities totalling $0.7 billion on mandates advised upon by Mackenzie as part of an overall asset allocation decision. During the second quarter of 2025, an institutional investor redeemed $320 million within products that Mackenzie sub-advises and the IG Wealth Management pension plan redeemed $24 million from IG Wealth Management mutual funds that was re-allocated into a separately managed account managed by Mackenzie. Excluding these transactions, net sales were $767 million in the three months ended June 30, 2026 compared to net sales of $161 million in the three months ended June 30, 2025.

In the six months ended June 30, 2026, Mackenzie's mutual fund gross sales were $7.3 billion, an increase of 54.3% from $4.7 billion in 2025. Mutual fund redemptions in the current period were $8.0 billion, an increase of 37.7% from last year. Mutual fund net redemptions for the six months ended June 30, 2026 were $682 million, compared to net redemptions of $1.1 billion in 2025. In the six months ended June 30, 2026, ETF net creations were $1.8 billion compared to $1.2 billion last year. Investment fund net sales in the current period were $1.1 billion compared to net sales of $102 million last year. During the current period, investment returns resulted in investment fund assets increasing by $6.3 billion compared to an increase of $2.4 billion last year.

Redemptions of long-term mutual funds in the three and six months ended June 30, 2026, were $3.6 billion and $7.9 billion, respectively, compared to $2.4 billion and $5.6 billion last year. Mackenzie's annualized quarterly redemption rate for long-term mutual funds was 21.5% in the second quarter of 2026, compared to 15.8% in the second quarter of 2025. Mackenzie's twelve month trailing redemption rate for long-term mutual funds was 20.7% at June 30, 2026, compared to 17.7% last year. The corresponding average twelve month trailing redemption rate for long-term mutual funds for all other members of SIMA was approximately 15.0% at June 30, 2026, based on SIMA-reported industry data.

Total net sales excluding sub-advisory to Canada Life and to the Wealth Management segment for the six

Table 15: Change in Investment Fund AUM – Mackenzie Investments(1)

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Sales	**$ 3,253**	$ 4,063	$ 2,104	(19.9)%	54.6 %
Redemptions	**3,679**	4,319	2,470	(14.8)	48.9
Mutual fund net sales (redemptions)	**(426)**	(256)	(366)	(66.4)	(16.4)
ETF net creations	**789**	985	553	(19.9)	42.7
Investment fund net sales (redemptions)(2)(3)	**363**	729	187	(50.2)	94.1
Investment returns	**7,019**	(689)	2,225	N/M	N/M
Net change in assets	**7,382**	40	2,412	N/M	N/M
Beginning assets	**78,173**	78,133	68,759	0.1	13.7
Ending assets	**$ 85,555**	$ 78,173	$ 71,171	9.4 %	20.2 %
Consists of:					
Mutual funds	**$ 70,222**	$ 64,812	$ 62,488	8.3 %	12.4 %
ETFs	**15,333**	13,361	8,683	14.8	76.6
Investment funds(3)	**$ 85,555**	$ 78,173	$ 71,171	9.4 %	20.2 %
Daily average investment fund assets	**$ 82,641**	$ 79,498	$ 68,365	4.0 %	20.9 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Sales	**$ 7,316**	$ 4,741	54.3 %
Redemptions	**7,998**	5,807	37.7
Mutual fund net sales (redemptions)	**(682)**	(1,066)	36.0
ETF net creations	**1,774**	1,168	51.9
Investment fund net sales (redemptions)(2)(3)(4)	**1,092**	102	N/M
Investment returns	**6,330**	2,376	166.4
Net change in assets	**7,422**	2,478	199.5
Beginning assets	**78,133**	68,693	13.7
Ending assets	**$ 85,555**	$ 71,171	20.2 %
Daily average investment fund assets	**$ 81,078**	$ 68,997	17.5 %

(1) Investment fund AUM and net sales exclude investments into Mackenzie mutual funds and ETFs by IGM Financial's investment funds.
(2) Total investment fund net sales and AUM exclude Mackenzie mutual fund investments in ETFs.
(3) Mackenzie investment fund products sold through IG Wealth Management are included in Sub-advisory and AUM to Wealth Management.
(4) In the first quarter of 2025, an institutional investor which includes Mackenzie mutual funds in its product offerings made fund allocation changes resulting in redemptions of $144 million.

months ended June 30, 2026 were $3.6 billion compared to net sales of $3.3 billion in 2025. During the six month period, investment returns resulted in assets increasing by $9.3 billion compared to an increase of $2.8 billion last year.

Mackenzie onboarded institutional mandates of $1.2 billion and $3.6 billion in the first quarter of 2026 and 2025, respectively. Excluding these transactions and the transactions that occurred in the second quarter, as well as the mutual fund allocation change described above, net sales were $1.2 billion in the six months ended June 30, 2026 compared to net sales of $184 million last year.

As at June 30, 2026, Mackenzie's sub-advisory to Canada Life were $61.3 billion, compared to $54.0 billion at June 30, 2025.

As at June 30, 2026, Mackenzie's sub-advisory and AUM to the Wealth Management segment were $102.1 billion or 66.8% of Wealth Management AUM excluding strategic investments, compared to $87.4 billion or 67.4% of Wealth Management AUM excluding strategic investments at June 30, 2025.

Change in AUM – Q2 2026 vs. Q1 2026

Mackenzie's total AUM at June 30, 2026 were $268.8 billion, an increase of 9.3% from $246.0 billion at March 31, 2026. Third party AUM were $166.7 billion, an increase of 10.2% from $151.3 billion at March 31, 2026.

Investment fund AUM were $85.6 billion at June 30, 2026, an increase of 9.4% from $78.2 billion at March 31, 2026. Mackenzie's mutual fund AUM were $70.2 billion at June 30, 2026, an increase of 8.3% from $64.8 billion at March 31, 2026. Mackenzie's ETF assets were $15.3 billion at June 30, 2026, compared to $13.4 billion at March 31, 2026. ETF assets inclusive of IGM Financial's managed products were $29.9 billion at June 30, 2026, compared to $26.2 billion at March 31, 2026.

For the quarter ended June 30, 2026, Mackenzie mutual fund gross sales were $3.3 billion, a decrease of 19.9% from the first quarter of 2026. Mutual fund redemptions were $3.7 billion, a decrease of 14.8% from the first quarter of 2026. Net redemptions of Mackenzie mutual funds for the current quarter were $426 million, compared to net redemptions of $256 million in the previous quarter.

Redemptions of long-term mutual fund assets in the current quarter were $3.6 billion, compared to $4.3 billion in the first quarter. Mackenzie's annualized quarterly redemption rate for long-term mutual funds for the current quarter was 21.5%, compared to 26.3% in the first quarter.

For the quarter ended June 30, 2026, Mackenzie ETF net creations were $789 million, compared to $985 million in the first quarter.

Investment fund net sales in the current quarter were $363 million, compared to net sales of $729 million in the first quarter.

As at June 30, 2026, Mackenzie's sub-advisory to Canada Life were $61.3 billion, compared to $57.7 billion at March 31, 2026.

As at June 30, 2026, Mackenzie's sub-advisory and AUM to the Wealth Management segment were $102.1 billion or 66.8% of Wealth Management AUM excluding strategic investments, compared to $94.6 billion or 67.3% of Wealth Management AUM excluding strategic investments at March 31, 2026.

Review of Segment Operating Results

The Asset Management segment's adjusted net earnings are presented in Table 16 and include the operations of Mackenzie Investments and earnings related to strategic investments.

Mackenzie Investments

Mackenzie Investments' adjusted net earnings are presented in Table 17. Adjusted net earnings for the second quarter of 2026 were $75.3 million, an increase of 30.3% from the second quarter in 2025 and an increase of 31.2% from the prior quarter. Adjusted net earnings for the six months ended June 30, 2026 were $132.7 million, an increase of 20.2% from 2025.

Adjusted earnings before interest and taxes for the second quarter of 2026 were $106.7 million, an increase of 25.7% from the second quarter in 2025 and an increase of 27.3% from the prior quarter. Adjusted earnings before interest and taxes for the six months ended June 30, 2026 were $190.5 million, an increase of 16.9% from 2025.

2026 vs. 2025

Revenues

Net asset management fees – third party were $185.8 million for the three months ended June 30, 2026, an increase of $18.5 million or 11.1% from $167.3 million last year. The increase in net asset management fees – third party was primarily due to a 20.9% increase in average AUM, as shown in Table 14, partially offset by a decrease in the net asset management fee rate. Mackenzie's net asset management fee rate was 46.5 basis points for the three months ended June 30, 2026, compared to 50.6 basis points in the comparative period

Table 16: Operating Results – Asset Management

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Asset management					
Asset management fees – third party	**$ 270.8**	$ 267.1	$ 247.8	1.4 %	9.3 %
Redemption fees	**0.4**	0.5	0.4	(20.0)	–
	271.2	267.6	248.2	1.3	9.3
Dealer compensation expenses					
Asset-based compensation	**(85.4)**	(85.1)	(80.9)	0.4	5.6
Net asset management fees – third party	**185.8**	182.5	167.3	1.8	11.1
Asset management fees – Wealth Management	**37.4**	35.5	31.9	5.4	17.2
Net asset management	**223.2**	218.0	199.2	2.4	12.0
Net investment income and other	**9.7**	1.8	5.0	N/M	94.0
Proportionate share of associates' earnings	**51.6**	42.1	39.0	22.6	32.3
	284.5	261.9	243.2	8.6	17.0
Expenses					
Advisory and business development	**25.9**	27.0	21.4	(4.1)	21.0
Operations and support	**95.2**	105.0	95.3	(9.3)	(0.1)
Sub-advisory	**5.8**	4.7	2.9	23.4	100.0
	126.9	136.7	119.6	(7.2)	6.1
Adjusted earnings before interest and taxes(1)	**157.6**	125.2	123.6	25.9	27.5
Interest expense	**6.7**	6.4	6.4	4.7	4.7
Adjusted earnings before income taxes(1)	**150.9**	118.8	117.2	27.0	28.8
Income taxes	**29.0**	23.2	23.6	25.0	22.9
Adjusted net earnings(1)	**121.9**	95.6	93.6	27.5	30.2
Non-controlling interest	**1.5**	1.5	1.9	–	(21.1)
Adjusted net earnings available to common shareholders(1)	**$ 120.4**	$ 94.1	$ 91.7	27.9 %	31.3 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

Table 16: Operating Results – Asset Management (continued)

Six months ended *($ millions)*	**2026** **Jun. 30**	2025 Jun. 30	Change
Revenues			
Asset management			
Asset management fees – third party	**$ 537.9**	$ 499.9	7.6 %
Redemption fees	**0.9**	0.9	–
	538.8	500.8	7.6
Dealer compensation expenses			
Asset-based compensation	**(170.5)**	(164.6)	3.6
Net asset management fees – third party	**368.3**	336.2	9.5
Asset management fees – Wealth Management	**72.9**	63.7	14.4
Net asset management	**441.2**	399.9	10.3
Net investment income and other	**11.5**	6.5	76.9
Proportionate share of associates' earnings	**93.7**	78.0	20.1
	546.4	484.4	12.8
Expenses			
Advisory and business development	**52.9**	47.6	11.1
Operations and support	**200.2**	191.0	4.8
Sub-advisory	**10.5**	5.7	84.2
	263.6	244.3	7.9
Adjusted earnings before interest and taxes(1)	**282.8**	240.1	17.8
Interest expense	**13.1**	12.9	1.6
Adjusted earnings before income taxes(1)	**269.7**	227.2	18.7
Income taxes	**52.2**	45.4	15.0
Adjusted net earnings(1)	**217.5**	181.8	19.6
Non-controlling interest	**3.0**	3.6	(16.7)
Adjusted net earnings available to common shareholders(1)	**$ 214.5**	$ 178.2	20.4 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

in 2025. The decrease in rate was driven by a change in the composition of AUM, including the impact of having a greater share in non-retail priced products, including $6.4 billion of non-retail flows over the past year and the previously announced reduction in administration and management fees effective April 1, 2026 on bundled-purchase options for households with less than $100,000 in assets held with Mackenzie on select Mackenzie mutual funds.

Net asset management fees – third party were $368.3 million for the six months ended June 30, 2026, an increase of $32.1 million or 9.5% from $336.2 million last year. The increase in net asset management fees – third party was primarily due to an 18.7% increase in average AUM, as shown in Table 14, offset by a decrease in the net management fee rate. Mackenzie's net asset management fee rate was 47.2 basis points for the six months ended June 30, 2026, compared to 51.2 basis points in the comparative period in 2025. The decrease in rate was driven by a change in the composition of AUM, including the impact of having a greater share in non-retail priced products, including $6.4 billion of non-retail flows over the past year and the previously announced reduction in administration and management fees effective April 1, 2026 on bundled-purchase options for households with less than $100,000 in assets held with Mackenzie on select Mackenzie mutual funds.

Asset management fees – Wealth Management were $37.4 million for the three months ended June 30, 2026, an increase of $5.5 million or 17.2% from $31.9 million last year. The increase in management fees was primarily due to an increase of 15.9% in average AUM. Mackenzie's management fee rate was 15.2 basis points for the three months ended June 30, 2026, compared to 15.0 basis points in the comparative period in 2025.

Asset management fees – Wealth Management were $72.9 million for the six months ended June 30, 2026, an increase of $9.2 million or 14.4% from $63.7 million

Table 17: Operating Results – Mackenzie Investments

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Asset management					
Asset management fees – third party	**$ 270.8**	$ 267.1	$ 247.8	1.4 %	9.3 %
Redemption fees	**0.4**	0.5	0.4	(20.0)	–
	271.2	267.6	248.2	1.3	9.3
Dealer compensation expenses					
Asset-based compensation	**(85.4)**	(85.1)	(80.9)	0.4	5.6
Net asset management fees – third party	**185.8**	182.5	167.3	1.8	11.1
Asset management fees – Wealth Management	**37.4**	35.5	31.9	5.4	17.2
Net asset management	**223.2**	218.0	199.2	2.4	12.0
Net investment income and other	**9.7**	1.8	5.0	N/M	94.0
	232.9	219.8	204.2	6.0	14.1
Expenses					
Advisory and business development	**25.9**	27.0	21.4	(4.1)	21.0
Operations and support	**94.5**	104.3	95.0	(9.4)	(0.5)
Sub-advisory	**5.8**	4.7	2.9	23.4	100.0
	126.2	136.0	119.3	(7.2)	5.8
Adjusted earnings before interest and taxes(1)	**106.7**	83.8	84.9	27.3	25.7
Interest expense	**6.7**	6.4	6.4	4.7	4.7
Adjusted earnings before income taxes(1)	**100.0**	77.4	78.5	29.2	27.4
Income taxes	**24.7**	20.0	20.7	23.5	19.3
Adjusted net earnings(1)	**$ 75.3**	$ 57.4	$ 57.8	31.2 %	30.3 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Revenues			
Asset management			
Asset management fees – third party	**$ 537.9**	$ 499.9	7.6 %
Redemption fees	**0.9**	0.9	–
	538.8	500.8	7.6
Dealer compensation expenses			
Asset-based compensation	**(170.5)**	(164.6)	3.6
Net asset management fees – third party	**368.3**	336.2	9.5
Asset management fees – Wealth Management	**72.9**	63.7	14.4
Net asset management	**441.2**	399.9	10.3
Net investment income and other	**11.5**	6.5	76.9
	452.7	406.4	11.4
Expenses			
Advisory and business development	**52.9**	47.6	11.1
Operations and support	**198.8**	190.1	4.6
Sub-advisory	**10.5**	5.7	84.2
	262.2	243.4	7.7
Adjusted earnings before interest and taxes(1)	**190.5**	163.0	16.9
Interest expense	**13.1**	12.9	1.6
Adjusted earnings before income taxes(1)	**177.4**	150.1	18.2
Income taxes	**44.7**	39.7	12.6
Adjusted net earnings(1)	**$ 132.7**	$ 110.4	20.2 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

last year. The increase in management fees was due to an increase of 13.9% in average AUM. Mackenzie's management fee rate was 15.1 basis points for the six months ended June 30, 2026, unchanged from the comparative period in 2025.

Net investment income and other primarily includes investment returns related to Mackenzie's investments in proprietary funds. These investments are generally made in the process of launching a fund and are sold as third party investors subscribe. Net investment income and other was $9.7 million for the three months ended June 30, 2026 compared to $5.0 million last year, and was $11.5 million for the six months ended June 30, 2026 compared to $6.5 million last year.

Expenses

Mackenzie incurs advisory and business development expenses that primarily include wholesale distribution activities and these costs vary directly with assets or sales levels. Advisory and business development expenses were $25.9 million for the three months ended June 30, 2026, an increase of $4.5 million or 21.0% from $21.4 million in 2025. Expenses for the six months ended June 30, 2026 were $52.9 million, an increase of $5.3 million or 11.1% from $47.6 million last year.

Operations and support includes costs associated with business operations, including technology and business processes, in-house investment management and product shelf management, corporate management and support functions. These expenses primarily reflect compensation, technology and other service provider expenses. Operations and support expenses were $94.5 million for the three months ended June 30, 2026, a decrease of $0.5 million or 0.5% from $95.0 million in 2025. Expenses for the six months ended June 30, 2026 were $198.8 million, an increase of $8.7 million or 4.6% from $190.1 million last year.

Sub-advisory expenses were $5.8 million for the three months ended June 30, 2026, compared to $2.9 million in 2025. Expenses for the six months ended June 30, 2026 were $10.5 million, compared to $5.7 million last year.

Interest Expense

Interest expense, which includes allocated interest expense on long-term debt and interest expense on leases, totalled $6.7 million in the second quarter of 2026, compared to $6.4 million in the comparative period in 2025. Interest expense for the six month period was $13.1 million compared to $12.9 million in 2025. The change in interest expense for the three and six month periods resulted from the impact of the issuance of $400 million debentures on June 2, 2026. Long-term debt interest expense is calculated based on an allocation of IGM Financial's long-term debt to Mackenzie of $530 million at June 30, 2026.

Q2 2026 vs. Q1 2026

Revenues

Net asset management fees – third party were $185.8 million for the current quarter, an increase of $3.3 million or 1.8% from $182.5 million in the first quarter of 2026. Factors contributing to the net increase were:

- Average AUM were $160.4 billion in the current quarter, an increase of 4.8% from the prior quarter.
- There was one additional calendar day in the second quarter of 2026 compared to the first quarter of 2026, which resulted in an increase of management fees of $3.0 million.
- Net asset management fee rate was 46.5 basis points for the current quarter compared to 48.3 basis points in the first quarter.

Asset management fees – Wealth Management were $37.4 million, an increase of 5.4% from $35.5 million in the first quarter. Factors contributing to the net increase were:

- Average AUM were $98.8 billion in the current quarter, an increase of 3.9% from the prior quarter.
- Asset management fee rate was 15.2 basis points for the current quarter, unchanged from the first quarter.

Net investment income and other was $9.7 million for the current quarter, compared to $1.8 million in the first quarter.

Expenses

Advisory and business development expenses were $25.9 million for the current quarter, compared to $27.0 million in the first quarter.

Operations and support expenses were $94.5 million for the current quarter, compared to $104.3 million in the first quarter.

Sub-advisory expenses were $5.8 million for the current quarter, compared to $4.7 million in the first quarter.

Asset Management Strategic Investments

Asset Management strategic investment's adjusted net earnings are presented within Table 18. Adjusted net earnings for the second quarter of 2026 were $45.1 million, compared to $33.9 million in 2025 and $36.7 million in the prior quarter. Adjusted net earnings

Table 18: Operating Results – Asset Management Strategic Investments

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Proportionate share of associates' earnings					
ChinaAMC	**$ 43.9**	$ 34.6	$ 29.7	26.9 %	47.8 %
Northleaf	**7.7**	7.5	9.3	2.7	(17.2)
	51.6	42.1	39.0	22.6	32.3
Expenses					
Operations and support	**0.7**	0.7	0.3	–	133.3
Adjusted earnings before income taxes(1)	**50.9**	41.4	38.7	22.9	31.5
Income taxes	**4.3**	3.2	2.9	34.4	48.3
Adjusted net earnings(1)	**46.6**	38.2	35.8	22.0	30.2
Non-controlling interest	**1.5**	1.5	1.9	–	(21.1)
Adjusted net earnings available to common shareholders(1)	**$ 45.1**	$ 36.7	$ 33.9	22.9 %	33.0 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Revenues			
Proportionate share of associates' earnings			
ChinaAMC	**$ 78.5**	$ 60.3	30.2 %
Northleaf	**15.2**	17.7	(14.1)
	93.7	78.0	20.1
Expenses			
Operations and support	**1.4**	0.9	55.6
Adjusted earnings before income taxes(1)	**92.3**	77.1	19.7
Income taxes	**7.5**	5.7	31.6
Adjusted net earnings(1)	**84.8**	71.4	18.8
Non-controlling interest	**3.0**	3.6	(16.7)
Adjusted net earnings available to common shareholders(1)	**$ 81.8**	$ 67.8	20.6 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

for the six months were $81.8 million, compared to $67.8 million in 2025.

The proportionate share of associates' earnings consists of equity earnings from ChinaAMC and Northleaf.

The Company's share of ChinaAMC's earnings were $43.9 million in the second quarter of 2026, compared to $29.7 million in the comparable period in 2025, and were $78.5 million in the six month period of 2026, compared to $60.3 million in 2025.

The Company's share of Northleaf's earnings were $7.7 million in the second quarter of 2026, compared to $9.3 million in the comparable period in 2025, and were $15.2 million in the six month period of 2026, compared to $17.7 million in 2025. This is offset by non-controlling interest as reflected in the table.

Corporate and Other

Review of Segment Operating Results

The Corporate and Other segment includes the Company's investments in Great West and Portage Ventures LPs (Portage), and unallocated capital.

Adjusted earnings from the Corporate and Other segment include the Company's proportionate share of Great West's base earnings, an alternate measure Great West uses to understand the underlying business performance compared to IFRS net earnings. Great West's financial information can be obtained in its disclosure materials filed on www.sedarplus.ca. Net investment income on unallocated capital and consolidation elimination entries are also included in this segment.

In addition to Great West and other investments held by the Company, the Corporate and Other segment includes unallocated capital which totalled $935.2 million at June 30, 2026, compared to $996.5 million at December 31, 2025, as detailed in Table 19.

Corporate and Other segment adjusted net earnings are presented in Table 20.

2026 vs. 2025

The proportionate share of Great West's base earnings was $31.3 million, an increase of $3.8 million in the second quarter of 2026 compared to the second quarter of 2025, and were $61.6 million for the six month period of 2026, compared to $52.0 million in 2025. The proportionate share of Great West's net earnings was $24.8 million in the second quarter of 2026, an increase of $3.3 million compared to the second quarter of 2025, and were $54.6 million for the six month period of 2026, an increase of $12.6 million compared to last year. These earnings reflect the proportionate share of equity earnings from Great West, as discussed in the Consolidated Financial Position section of this MD&A.

Net investment income and other was $5.9 million in the second quarter of 2026, an increase of $1.4 million from $4.5 million in 2025. For the six month period, net investment income and other was $11.6 million, an increase of $2.9 million from $8.7 million in 2025.

Q2 2026 vs. Q1 2026

The proportionate share of Great West's base earnings was $31.3 million in the second quarter of 2026, an increase of $1.0 million from the first quarter of 2026. The proportionate share of Great West's net earnings was $24.8 million, a decrease of $5.0 million from the first quarter of 2026.

Table 19: Total Assets – Corporate and Other

($ millions)	**2026 Jun. 30**	2025 Dec. 31
Investments in associate		
Great West	**$ 669.1**	$ 670.0
FVTOCI investments		
Portage and other investments[1]	**157.7**	139.1
Unallocated capital	**935.2**	996.5
Total assets	**$ 1,762.0**	$ 1,805.6
Great West fair value	**$ 2,000.3**	$ 1,498.2

(1) The Company's indirect interest in Wealthsimple held through Portage has been reallocated to the Wealth Management segment.

Table 20: Operating Results – Corporate and Other

Three months ended *($ millions)*	**2026 Jun. 30**	2026 Mar. 31	2025 Jun. 30	Change 2026 Mar. 31	Change 2025 Jun. 30
Revenues					
Wealth Management	**$ (5.7)**	$ (5.0)	$ (3.6)	(14.0)%	(58.3)%
Asset management	**(28.6)**	(27.6)	(26.3)	(3.6)	(8.7)
Dealer compensation expense	**(2.2)**	(2.0)	(1.4)	10.0	57.1
Net asset management	**(30.8)**	(29.6)	(27.7)	(4.1)	(11.2)
Net investment income and other	**5.9**	5.7	4.5	3.5	31.1
Proportionate share of Great West's base earnings	**31.3**	30.3	27.5	3.3	13.8
	0.7	1.4	0.7	(50.0)	–
Expenses					
Operations and support	**0.6**	0.5	0.9	20.0	(33.3)
Sub-advisory	**(36.5)**	(34.7)	(31.3)	(5.2)	(16.6)
	(35.9)	(34.2)	(30.4)	(5.0)	(18.1)
Adjusted earnings before income taxes[1]	**36.6**	35.6	31.1	2.8	17.7
Income taxes	**1.4**	1.5	0.9	(6.7)	55.6
Adjusted net earnings[1]	**$ 35.2**	$ 34.1	$ 30.2	3.2 %	16.6 %

Six months ended *($ millions)*	**2026 Jun. 30**	2025 Jun. 30	Change
Revenues			
Wealth Management	**$ (10.7)**	$ (6.9)	(55.1)%
Asset management	**(56.2)**	(52.8)	(6.4)
Dealer compensation expense	**(4.2)**	(2.8)	50.0
Net asset management	**(60.4)**	(55.6)	(8.6)
Net investment income and other	**11.6**	8.7	33.3
Proportionate share of Great West's base earnings	**61.6**	52.0	18.5
	2.1	(1.8)	N/M
Expenses			
Operations and support	**1.1**	1.7	(35.3)
Sub-advisory	**(71.2)**	(62.5)	(13.9)
	(70.1)	(60.8)	(15.3)
Adjusted earnings before income taxes[1]	**72.2**	59.0	22.4
Income taxes	**2.9**	1.8	61.1
Adjusted net earnings[1]	**$ 69.3**	$ 57.2	21.2 %

(1) A non-IFRS financial measure – see Non-IFRS Financial Measures and Other Financial Measures section of this document.

IGM Financial Inc.

Consolidated Financial Position

IGM Financial's total assets were $21.8 billion at June 30, 2026, compared to $22.4 billion at December 31, 2025.

Other Investments

The composition of the Company's securities holdings is detailed in Table 21.

Fair Value Through Other Comprehensive Income (FVTOCI)

Gains and losses on FVTOCI investments are recorded in Other comprehensive income.

Corporate Investments

Corporate investments is primarily comprised of the Company's investments in Wealthsimple and Portage and are recorded at FVTOCI.

The total fair value of Corporate investments was $2,766 million at June 30, 2026, compared to $2,413 million at December 31, 2025, and is presented net of certain costs incurred within the limited partnership structures holding the underlying investments.

Wealthsimple Financial Corp.

Wealthsimple is a financial company that provides simple digital tools for growing and managing client money. The Company's investment in Wealthsimple is primarily held through a limited partnership controlled by Power and economic interest is presented net of certain partnership costs. The investment is classified at FVTOCI.

IGM Financial Inc. holds a 25.1% economic interest in Wealthsimple (December 31, 2025 – 25.5%) calculated using the treasury method which includes options that are in the money and assumes option proceeds are used to repurchase shares. The Company holds a 22.2% fully diluted economic interest (December 31, 2025 – 22.3%).

At June 30, 2026, the Company increased the fair value of its investment in Wealthsimple, net of certain partnership costs, to $2,592 million (December 31, 2025 – $2,258 million). The increase in fair value considers public market peer valuations, Wealthsimple's business performance and revenue expectations, as well as transactions which closed in the fourth quarter of 2025. Fair value is determined by using observable transactions in the investments' securities where available, discounted cash flows, and other valuation metrics, including revenue multiples used in the valuation of comparable public companies.

Wealthsimple's total assets under administration were $155.6 billion at June 30, 2026, representing an increase of 39.8% from $111.3 billion at December 31, 2025. Net flows were approximately $17 billion for the quarter ended June 30, 2026.

Fair Value Through Profit or Loss (FVTPL)

Securities classified as FVTPL include equity securities and proprietary investment funds. Gains and losses are recorded in Net investment income and other in the Consolidated Statements of Earnings.

Certain proprietary investment funds are consolidated where the Company has made the assessment that it controls the investment fund. The underlying securities of these funds are classified as FVTPL.

Table 21: Other Investments

	June 30, 2026		December 31, 2025	
($ millions)	**Cost**	**Fair Value**	Cost	Fair Value
Fair value through other comprehensive income				
Corporate investments	**$ 404.2**	**$ 2,765.9**	$ 403.3	$ 2,412.9
Fair value through profit or loss				
Proprietary investment funds	**138.4**	**145.1**	107.7	109.2
	$ 542.6	**$ 2,911.0**	$ 511.0	$ 2,522.1

Table 22: Loans

($ millions)	2026 Jun. 30	2025 Dec. 31
Amortized cost	**$ 5,166.2**	$ 5,262.8
Allowance for expected credit losses	**(0.6)**	(0.7)
	5,165.6	5,262.1
Fair value through profit or loss	**17.7**	–
	$ 5,183.3	$ 5,262.1

Loans

The composition of the Company's loans is detailed in Table 22.

Loans consisted of residential mortgages, which include HELOCs, and represented 23.8% of total assets at June 30, 2026, compared to 23.5% at December 31, 2025.

Loans measured at amortized cost are primarily comprised of residential mortgages sold to securitization programs sponsored by third parties that in turn issue securities to investors. An offsetting liability, Obligations to securitization entities, has been recorded and totalled $4.7 billion at June 30, 2026, compared to $4.8 billion at December 31, 2025.

The Company holds loans pending sale or securitization. Loans measured at FVTPL are residential mortgages held temporarily by the Company pending sale. Loans held for securitization are carried at amortized cost. Total loans being held pending sale or securitization are $523.7 million at June 30, 2026, compared to $492.9 million at December 31, 2025.

Residential mortgages originated by IG Wealth Management are funded primarily through sales to third parties on a fully serviced basis, including Canada Mortgage and Housing Corporation (CMHC) or Canadian bank sponsored securitization programs. At June 30, 2026, IG Wealth Management serviced $6.7 billion of residential mortgages.

Securitization Arrangements

In the second quarter of 2026, the Company securitized loans through its mortgage banking operations with cash proceeds of $427.5 million, compared to $357.1 million in 2025. Additional information related to the Company's securitization activities, including the Company's hedges of related reinvestment and interest rate risk, can be found in the Financial Risk section of this MD&A and in Note 7 to the Interim Financial Statements.

Investment in Associates

The Company uses the equity method to account for its investments in associates, which include Great-West Lifeco Inc. (Great West), China Asset Management Co., Ltd. (ChinaAMC), Rockefeller Capital Management (Rockefeller), and Northleaf Capital Group Ltd. (Northleaf), as it exercises significant influence. Changes in the carrying values for the three and six months ended June 30, 2026 compared to 2025 are shown in Table 23.

Great-West Lifeco Inc.

At June 30, 2026, the Company held a 2.5% equity interest in Great West. IGM Financial and Great West are controlled by Power.

China Asset Management Co., Ltd.

At June 30, 2026, the Company held a 27.8% equity interest in ChinaAMC. The change in Other comprehensive income of positive $73.7 million in the three months ended June 30, 2026, was due to a 6.1% appreciation of the Chinese yuan relative to the Canadian dollar.

ChinaAMC's total assets under management, excluding subsidiary assets under management, were RMB¥ 2,908.0 billion ($607.8 billion) at June 30, 2026, representing a decrease of 3.5% (CAD increase of 2.8%) from RMB¥ 3,014.5 billion ($591.4 billion) at December 31, 2025. Investment fund net flows, which exclude subsidiary and institutional assets under management, were RMB¥ (145.2) billion and RMB¥ (329.4) billion for the three and six month periods ended June 30, 2026 (net flows obtained from Wind Information Co., Ltd.).

Rockefeller Capital Management

At June 30, 2026, the Company held a 17.2% equity interest in Rockefeller. The change in Other comprehensive income of positive $7.6 million in the three months ended June 30, 2026, was due to

Table 23: Investment in Associates

	June 30, 2026						June 30, 2025					
($ millions)	**Great West**	**ChinaAMC**	**Rockefeller**	**Northleaf**	**Other**	**Total**	Great West	ChinaAMC	Rockefeller	Northleaf	Other	Total
Three months ended												
Carrying value, April 1	**$ 670.3**	**$ 2,113.6**	**$ 487.2**	**$ 479.4**	**$ 49.0**	**$ 3,799.5**	$ 656.8	$ 2,003.0	$ 897.7	$ 369.6	$ 60.0	$ 3,987.1
Additions	**–**	**–**	**–**	**–**	**–**	**–**	–	–	–	50.0	–	50.0
Dispositions	**–**	**–**	**–**	**–**	**(2.2)**	**(2.2)**	–	–	–	–	–	–
Dividends	**(14.8)**	**–**	**–**	**(56.7)**	**–**	**(71.5)**	(13.5)	–	–	–	–	(13.5)
Proportionate share of:												
Earnings (losses)(1)(2)	**24.8**	**43.9**	**(0.6)**	**7.7**	**(0.2)**	**75.6**	21.5	29.7	(0.7)	9.3	0.3	60.1
Other comprehensive income (loss) and other adjustments	**(11.2)**	**73.7**	**7.6**	**–**	**–**	**70.1**	1.7	(80.8)	(46.0)	–	–	(125.1)
Carrying value, June 30	**$ 669.1**	**$ 2,231.2**	**$ 494.2**	**$ 430.4**	**$ 46.6**	**$ 3,871.5**	$ 666.5	$ 1,951.9	$ 851.0	$ 428.9	$ 60.3	$ 3,958.6
Six months ended												
Carrying value, January 1	**$ 670.0**	**$ 2,081.2**	**$ 480.7**	**$ 471.9**	**$ 49.7**	**$ 3,753.5**	$ 633.5	$ 2,030.1	$ 903.2	$ 353.5	$ 59.4	$ 3,979.7
Additions	**–**	**–**	**–**	**–**	**–**	**–**	–	–	–	61.0	–	61.0
Dispositions	**–**	**–**	**–**	**–**	**(2.2)**	**(2.2)**	–	–	–	–	–	–
Dividends	**(29.6)**	**(61.5)**	**–**	**(56.7)**	**–**	**(147.8)**	(27.0)	(66.0)	–	–	–	(93.0)
Proportionate share of:												
Earnings (losses)(1)(2)	**54.6**	**78.5**	**(2.4)**	**15.2**	**(0.9)**	**145.0**	42.0	60.3	(5.0)	17.7	0.9	115.9
Other comprehensive income (loss) and other adjustments	**(25.9)**	**133.0**	**15.9**	**–**	**–**	**123.0**	18.0	(72.5)	(47.2)	(3.3)	–	(105.0)
Carrying value, June 30	**$ 669.1**	**$ 2,231.2**	**$ 494.2**	**$ 430.4**	**$ 46.6**	**$ 3,871.5**	$ 666.5	$ 1,951.9	$ 851.0	$ 428.9	$ 60.3	$ 3,958.6

(1) The proportionate share of earnings from the Company's investment in associates is recorded in either the Wealth Management, Asset Management or Corporate and Other segment. The proportionate share of Great West earnings includes Great West other items of ($6.5) million and ($7.0) million for the three and six month periods of 2026, respectively, compared to ($6.0) million and ($10.0) million for the same periods in 2025. The proportionate share of Rockefeller earnings includes other items of ($0.9) million for the three and six month periods of 2026 compared to nil for the same periods in 2025.

(2) The Company's proportionate share of Northleaf's earnings, net of non-controlling interest, was $6.2 million and $12.2 million for the three and six month periods of 2026, respectively, compared to $7.4 million and $14.1 million for the same periods in 2025.

a 2.0% appreciation of the US dollar relative to the Canadian dollar.

Rockefeller's client assets were USD $224.3 billion ($318.5 billion) at June 30, 2026, representing an increase of 13.5% (CAD 17.4%) from USD $197.7 billion ($271.4 billion) at December 31, 2025.

Northleaf Capital Group Ltd.

At June 30, 2026, the Company held a 49.9% voting interest and a 56% economic interest in Northleaf, net of Great West's Non-controlling interest.

During the second quarter of 2026, Northleaf declared and paid dividends of $56.7 million ($45.4 million net of Non-controlling interest (NCI)), including a distribution of excess cash, in preparation for transactions that closed in the third quarter of 2026.

As at June 30, 2026, the Company, through an acquisition vehicle owned 80% by Mackenzie and 20% by Great West, held a 49.9% voting interest and a 70% economic interest (56% net of NCI) in Northleaf, which was accounted for using the equity method. As a result of a series of transactions subsequent to June 30, 2026, the Company's voting interest was aligned with its economic interest, and the Company will therefore consolidate Northleaf beginning on July 1, 2026.

The transactions also increased the Company's ownership in Northleaf, net of NCI, by 4.9% to 60.9% for cash consideration of $43 million. These transactions were conducted at fair market value and will be accounted for as a business combination achieved in stages under IFRS 3, Business Combinations.

The Company will derecognize its existing interest in Northleaf, resulting in an accounting gain of approximately $187 million, or $149 million net of NCI, representing the difference between the fair value of its previously held interest of approximately $495 million and its carrying value of $345 million.

The estimated acquisition date fair value of Northleaf, which the Company will consolidate, is $884 million, comprised of cash consideration of $43 million, the fair value of the existing investment of approximately $495 million, and non-controlling interests valued at approximately $346 million, representing a 39.1% interest in Northleaf. The purchase price allocation, including the determination of the fair value of identifiable assets acquired, liabilities assumed, and resulting goodwill, has not yet been finalized and will be disclosed in the reporting period in which the acquisition is recognized.

As the transaction was completed after June 30, 2026, no amounts have been recognized in the current period in respect of the acquisition.

Northleaf's assets under management, including invested capital and uninvested commitments, were $37.1 billion as at June 30, 2026, representing an increase of $2.1 billion or 6.0% from $35.0 billion at December 31, 2025. The increase during the six month period was driven by $1.3 billion in new commitments and $1.0 billion related to foreign exchange on USD denominated assets, offset in part by a decrease of $0.2 billion related to return of capital and other.

Consolidated Liquidity and Capital Resources

Liquidity

Cash and cash equivalents totalled $1,515.5 million at June 30, 2026, compared to $1,274.2 million at December 31, 2025 and $830.7 million at June 30, 2025.

Client funds on deposit represents cash balances held by clients within their investment accounts and with the offset included in Client deposits.

Working capital, which consists of current assets less current liabilities, totalled $891.1 million at June 30, 2026, compared to $987.7 million at December 31, 2025 and $656.5 million at June 30, 2025 (Table 24).

Working capital, which includes unallocated capital, is utilized to:

- Finance ongoing operations, including the funding of sales commissions.
- Temporarily finance mortgages in its mortgage banking operations.
- Pay interest related to long-term debt.
- Maintain liquidity requirements for regulated entities.
- Pay quarterly dividends on its outstanding common shares.
- Finance common share repurchases and retirement of long-term debt.
- Capital investment in the business and business acquisitions.

IGM Financial continues to generate significant cash flows from its operations. Earnings before interest, taxes, depreciation and amortization before sales commissions (EBITDA before sales commissions), a non-IFRS measure (see Non-IFRS Financial Measures and Other Financial Measures), totalled $515.7 million for the second quarter of 2026, compared to $410.9 million for the second quarter of 2025 and $455.0 million for the first quarter of 2026. For the six months ended June 30, 2026, EBITDA before sales commissions totalled $970.7 million compared to $804.5 million for the comparative period of 2025. EBITDA before sales commissions excludes the impact of both commissions paid and commission amortization (Table 1).

Earnings before interest, taxes, depreciation and amortization after sales commissions (EBITDA after sales commissions), a non-IFRS measure (see Non-IFRS Financial Measures and Other Financial Measures), totalled $480.5 million in the second quarter of 2026, compared to $383.5 million in the second quarter of 2025 and $418.2 million in the first quarter of 2026. For the six months ended June 30, 2026, EBITDA after sales commissions totalled $898.7 million compared to $742.9 million for the comparative period of 2025. EBITDA after sales commissions excludes the impact of commission amortization (Table 1).

Refer to the Financial Risk section of this MD&A for information related to other sources of liquidity and to the Company's exposure to and management of liquidity and funding risk.

Table 24: Working Capital

($ millions)	**2026 Jun. 30**	2025 Dec. 31	2025 Jun. 30
Current assets			
Cash and cash equivalents	**$ 1,515.5**	$ 1,274.2	$ 830.7
Client funds on deposit	**2,978.6**	4,316.7	2,942.2
Accounts receivable and other assets	**463.7**	451.1	505.0
Current portion of securitized mortgages and other	**1,149.2**	1,331.9	1,468.8
	6,107.0	7,373.9	5,746.7
Current liabilities			
Accounts and other payables	**861.3**	801.4	787.2
Client deposits	**2,932.2**	4,299.1	2,923.0
Current portion of obligations to securitization entities and other	**1,022.4**	1,285.7	1,380.0
Current portion of long-term debt	**400.0**	–	–
	5,215.9	6,386.2	5,090.2
Working capital	**$ 891.1**	$ 987.7	$ 656.5

Cash Flows

Table 25 – Cash Flows is a summary of the Consolidated Statements of Cash Flows which forms part of the Interim Financial Statements for the three and six month periods ended June 30, 2026. Cash and cash equivalents increased by $365.2 million in the second quarter of 2026, compared to an increase of $58.5 million in 2025. For the six months ended June 30, 2026, cash and cash equivalents increased by $241.3 million, compared to a decrease of $79.6 million in 2025.

Adjustments to determine net cash from operating activities during the three and six month periods of 2026 compared to 2025 consist of non-cash operating activities offset by cash operating activities:

- Add-back of amortization of capitalized sales commissions offset by the deduction of capitalized sales commissions paid.
- Add-back of amortization of capital, intangible and other assets.
- Deduction of investment in associates' equity earnings offset by dividends received.
- Add-back of pension and other post-employment benefits offset by cash contributions.
- Add-back of a one-time adjustment in 2026 in respect of a restructuring provision and other.
- Add-back of the gain on partial sale of investment in associates in 2026.
- Changes in operating assets and liabilities and other.
- Deduction of restructuring provision cash payments.

Financing activities during the second quarter of 2026 compared to 2025 related to:

- An increase in obligations to securitization entities of $411.8 million and repayments of obligations to securitization entities of $500.0 million in 2026, compared to an increase in obligations to securitization entities of $361.4 million and repayments of obligations to securitization entities of $453.0 million in 2025.
- The issuance of debentures of $400.0 million in 2026.
- The issuance of 820,134 common shares with proceeds of $30.6 million in 2026, compared to 45,729 common shares with proceeds of $1.7 million in 2025.
- The purchase of 2,631,800 common shares in 2026 under IGM Financial's normal course issuer bid at a cost of $200.4 million, compared to purchase of 804,400 common shares at a cost of $34.9 million in 2025.
- The payment of regular common share dividends which totalled $144.7 million in 2026, compared to $133.2 million in 2025.

Financing activities during the six months ended June 30, 2026 compared to 2025 related to:

- An increase in obligations to securitization entities of $792.6 million and repayments of obligations to securitization entities of $908.5 million in 2026 compared to an increase in obligations to securitization entities of $646.7 million and repayments of obligations to securitization entities of $737.9 million in 2025.
- The issuance of debentures of $400.0 million in 2026.
- The issuance of 1,838,877 common shares with proceeds of $69.2 million in 2026, compared to 735,055 common shares with proceeds of $28.7 million in 2025.
- The purchase of 5,461,800 common shares in 2026 under IGM Financial's normal course issuer bid at a cost of $385.8 million, compared to purchase of 2,559,100 common shares at a cost of $113.6 million in 2025.

Table 25: Cash Flows

	Three months ended June 30			*Six months ended June 30*		
($ millions)	**2026**	2025	Change	**2026**	2025	Change
Operating activities						
Earnings before income taxes	**$ 331.8**	$ 320.2	3.6 %	**$ 699.3**	$ 625.2	11.9 %
Income taxes paid	**(79.6)**	(65.6)	(21.3)	**(175.6)**	(168.4)	(4.3)
Adjustments to determine net cash from operating activities	**154.7**	30.9	N/M	**24.7**	(101.2)	N/M
	406.9	285.5	42.5	**548.4**	355.6	54.2
Financing activities	**(9.6)**	(261.7)	96.3	**(321.8)**	(452.8)	28.9
Investing activities	**(32.1)**	34.7	N/M	**14.7**	17.6	(16.5)
Change in cash and cash equivalents	**365.2**	58.5	N/M	**241.3**	(79.6)	N/M
Cash and cash equivalents, beginning of period	**1,150.3**	772.2	49.0	**1,274.2**	910.3	40.0
Cash and cash equivalents, end of period	**$ 1,515.5**	$ 830.7	82.4 %	**$ 1,515.5**	$ 830.7	82.4 %

- The payment of regular common share dividends which totalled $277.0 million in 2026, compared to $267.0 million in 2025.

Investing activities during the second quarter of 2026 compared to 2025 primarily related to:

- The purchases of other investments totalling $20.7 million and sales of other investments with proceeds of $13.2 million in 2026, compared to $52.8 million and $41.0 million, respectively, in 2025.
- An increase in loans of $550.3 million with repayments of loans and other of $541.1 million in 2026, compared to $523.5 million and $602.2 million, respectively, in 2025 primarily related to residential mortgages in the Company's mortgage banking operations.
- Net cash used in additions to intangible assets and other was $17.8 million in 2026, compared to $20.1 million in 2025.
- Proceeds from partial sale of investment in associates of $12.1 million in 2026.

Investing activities during the six months ended June 30, 2026 compared to 2025 related to:

- The purchases of other investments totalling $55.2 million and sales of other investments with proceeds of $32.6 million in 2026 compared to $68.6 million and $57.0 million, respectively, in 2025.
- An increase in loans of $974.5 million with repayments of loans and other of $1,046.7 million in 2026 compared to $913.2 million and $995.4 million, respectively, in 2025 primarily related to residential mortgages in the Company's mortgage banking operations.
- Net cash used in additions to intangible assets was $29.6 million in 2026 compared to $33.1 million in 2025.
- Proceeds from partial sale of investment in associates of $12.1 million in 2026.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income totalled $2.3 billion at June 30, 2026, compared to $1.2 billion at June 30, 2025, as detailed in Table 26.

Other comprehensive income of $307.7 million related to Other investments in 2026 is primarily due to a change in fair value of Wealthsimple.

Other comprehensive income for Investment in associates in 2026 was primarily related to foreign exchange translation.

Capital Resources

The Company's capital management objective is to maximize shareholder returns while ensuring that the Company is capitalized in a manner which appropriately supports regulatory capital requirements, working capital needs and business expansion. The Company's capital management practices are focused on preserving the quality of its financial position by maintaining a solid capital base and a strong balance sheet. Capital of the Company consists of long-term debt and shareholders' equity which totalled $12.1 billion at June 30, 2026, compared to $11.3 billion at December 31, 2025. The Company regularly assesses its capital management practices in response to changing economic conditions.

The Company's capital is primarily utilized in its ongoing business operations to support working capital requirements, long-term investments made by the Company, business expansion and other strategic objectives. Subsidiaries subject to regulatory capital

Table 26: Accumulated Other Comprehensive Income (Loss)

($ millions)	Employee Benefits	Other Investments	Investment in Associates and Other	Total
2026				
Balance, January 1	**$ 22.8**	**$ 1,739.3**	**$ 97.9**	**$ 1,860.0**
Other comprehensive income (loss)	**(6.1)**	**307.7**	**138.4**	**440.0**
Transfer out of FVTOCI	**–**	**(2.2)**	**–**	**(2.2)**
Balance, June 30	**$ 16.7**	**$ 2,044.8**	**$ 236.3**	**$ 2,297.8**
2025				
Balance, January 1	$ 34.1	$ 917.3	$ 118.7	$ 1,070.1
Other comprehensive income (loss)	12.7	243.1	(94.3)	161.5
Transfer out of FVTOCI	–	(18.9)	–	(18.9)
Balance, June 30	$ 46.8	$ 1,141.5	$ 24.4	$ 1,212.7

requirements include investment dealer, exempt market dealer, portfolio managers, investment fund managers and a trust company. These subsidiaries are required to maintain minimum levels of capital based on either working capital, liquidity or shareholders' equity. The Company's subsidiaries have complied with all regulatory capital requirements.

The total outstanding long-term debt was $2.8 billion at June 30, 2026, compared to $2.4 billion at December 31, 2025. Long-term debt is comprised of debentures which are senior unsecured debt obligations of the Company subject to standard covenants, including negative pledges, but which do not include any specified financial or operational covenants. The increase in long-term debt of $400.0 million resulted from the issuance on June 2, 2026 of $200.0 million principal amount 4.407% debentures maturing June 2, 2036 and $200.0 million principal amount 5.002% debentures maturing June 2, 2056. The net proceeds were used by IGM Financial to fund the early redemption on July 2, 2026 of all of its outstanding $400.0 million aggregate principal amount of 3.44% debentures due January 26, 2027.

The Company commenced a Normal Course Issuer Bid (NCIB) on December 23, 2025 to purchase for cancellation up to 11.8 million of its common shares. The program will be used to mitigate the dilutive effect of stock options issued under the Company's stock option plan and for other capital management purposes.

The Company purchased 5,461,800 common shares during the six months ended June 30, 2026 at a cost of $385.8 million under its NCIB (refer to Note 10 to the Interim Financial Statements).

In connection with its NCIB, the Company has established an automatic securities purchase plan (ASPP) for its common shares. The ASPP provides standard instructions regarding how IGM Financial's common shares are to be purchased under the NCIB during certain pre-determined trading blackout periods, subject to pre-established parameters. Outside of these pre-determined trading blackout periods, purchases under the Company's NCIB will be completed based upon management's discretion.

Other activities in 2026 included the declaration of common share dividends of $288.3 million or $1.24 per share. Changes in common share capital are reflected in the Consolidated Statements of Changes in Equity.

Standard & Poor's (S&P) current rating on the Company's senior unsecured debentures is "A" with a stable outlook. Morningstar DBRS current rating on the Company's senior unsecured debentures is "A (High)" with a stable rating trend.

Financial Instruments

Table 27 presents the carrying amounts and fair values of financial assets and financial liabilities. The table excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. These items include cash and cash equivalents, client funds on deposit, accounts and other receivables, certain other financial assets, accounts payable and accrued liabilities, client deposits, and certain other financial liabilities.

See Note 15 to the Interim Financial Statements which provides discussion on the determination of fair value of financial instruments.

Although there were changes to both the carrying values and fair values of financial instruments, these changes did not have a material impact on the financial condition of the Company for the six months ended June 30, 2026.

Table 27: Financial Instruments

($ millions)	June 30, 2026 Carrying Value	June 30, 2026 Fair Value	December 31, 2025 Carrying Value	December 31, 2025 Fair Value
Financial assets recorded at fair value				
Other investments				
– FVTOCI	**$ 2,765.9**	**$ 2,765.9**	$ 2,412.9	$ 2,412.9
– FVTPL	**145.1**	**145.1**	109.2	109.2
Loans				
– FVTPL	**17.7**	**17.7**	–	–
Derivative financial instruments	**80.7**	**80.7**	70.0	70.0
Financial assets recorded at amortized cost				
Loans				
– Amortized cost	**5,165.6**	**5,320.3**	5,262.1	5,389.7
Financial liabilities recorded at fair value				
Derivative financial instruments	**11.0**	**11.0**	15.2	15.2
Financial liabilities recorded at amortized cost				
Obligations to securitization entities	**4,707.3**	**4,837.4**	4,815.3	4,916.5
Long-term debt	**2,800.0**	**2,857.2**	2,400.0	2,441.7

Risk Management

The Company's interim MD&A risk disclosure focuses on material changes since the annual MD&A as well as core financial risks.

IGM Financial is exposed to a variety of risks that are inherent in our business activities. Our ability to manage these risks is key to our ongoing success. The Company emphasizes a strong risk management culture and the implementation of an effective risk management approach.

Key Risks of the Business

Significant risks that may adversely affect our ability to achieve strategic and business objectives are identified through our ongoing risk management process.

Risks are identified based on our established methodology, considering factors both internal and external to the organization. These risks are broadly grouped into three categories: financial, operational, and strategic and business.

For a complete description of the risk management framework, the key risks and the management of these risks, refer to the Company's MD&A included in the 2025 Annual Report. The Company's risk management policies and practices have not changed materially since December 31, 2025. Following is a description of the Company's key financial risks as well as emerging risks.

Financial Risk

This is the risk of financial loss related to AUM&A, liquidity and funding risk, credit risk, or market risk.

Risks Related to AUM&A

At June 30, 2026, IGM Financial's AUM&A were $343.3 billion, compared to $310.1 billion at December 31, 2025. AUM&A Including SI were $622.1 billion at June 30, 2026, compared to $566.2 billion at December 31, 2025.

The Company's primary sources of revenues are advisory fees and asset management fees which are applied as an annual percentage of the level of AUM&A. AUM&A levels are impacted by both net sales and changes in the market.

Global markets by their nature are subject to uncertainty and a variety of risks. Movement in equity market prices, foreign exchange rates, real asset values, interest rates/credit spreads, or other asset values could cause the Company's AUM&A, revenue and earnings to decline. A general economic downturn, market volatility, client rebalancing, poor investment performance, or a lack of investor confidence could also lead to lower sales, higher redemption levels and lower AUM&A.

Liquidity and Funding Risk

This is the risk of an inability to generate or obtain sufficient cash in a timely and cost-effective manner to meet contractual or anticipated commitments as they come due or arise.

Our liquidity profile is structured to ensure we have sufficient liquidity to satisfy current and prospective requirements in both normal and stressed conditions.

A key funding requirement is the funding of advisor network compensation paid for the distribution of financial products and services. This compensation continues to be paid from operating cash flows.

The Company also maintains sufficient liquidity to fund and temporarily hold mortgages, which include HELOCs, pending sale or securitization to long-term funding sources and to manage any derivative collateral requirements.

The Company accesses the unsecured long-term debt markets for corporate purposes, and ensures a well-diversified maturity structure to manage associated funding risks.

The Company's contractual obligations are reflected in Table 29.

In addition to IGM Financial's current balance of cash and cash equivalents, liquidity is available through the Company's lines of credit. The Company's lines of credit with various Schedule I Canadian chartered banks totalled $800 million at June 30, 2026, unchanged from December 31, 2025. The lines of credit at June 30, 2026 consisted of committed lines of $650 million and uncommitted lines of $150 million, unchanged from December 31, 2025. Any advances made by a bank under the uncommitted lines of credit are at the bank's sole discretion. As at June 30, 2026 and December 31, 2025, the Company was not utilizing its committed lines of credit or its uncommitted lines of credit.

The Company's liquidity position and its management of liquidity and funding risk have not changed materially since December 31, 2025.

Credit Risk

This is the risk of financial loss to the Company if a counterparty to a transaction fails to meet its obligations.

The Company is exposed to credit risk through its cash and cash equivalents, client funds on deposit, mortgage portfolio, and use of over-the-counter derivatives and monitors its credit risk management practices on an ongoing basis to evaluate their effectiveness. The Company's exposure to and management of credit risk have not changed materially since December 31, 2025.

Cash and Cash Equivalents and Client Funds on Deposit

At June 30, 2026, cash and cash equivalents of $1,515.5 million (December 31, 2025 – $1,274.2 million) consisted of cash balances of $1,062.2 million (December 31, 2025 – $676.7 million) primarily on deposit with Canadian chartered banks and cash equivalents of $453.3 million (December 31, 2025 – $597.5 million). Cash equivalents are comprised of Government of Canada treasury bills totalling $74.2 million (December 31, 2025 – $0.5 million), provincial government treasury bills and promissory notes of $363.6 million (December 31, 2025 – $553.8 million), bank term deposits of $11.4 million (December 31, 2025 – $43.2 million), and other corporate commercial paper of $4.1 million (December 31, 2025 – nil).

IG Wealth Management's client funds on deposit of $3.0 billion (December 31, 2025 – $4.3 billion) are held with Canadian financial institutions including Schedule I

Table 28: IGM Financial AUM – Asset and Currency Mix

As at June 30, 2026	Investment Funds	Total
Cash	1.9 %	2.8 %
Short-term fixed income and mortgages	1.8	2.0
Other fixed income	20.9	20.5
Domestic equity	20.9	23.6
Foreign equity	52.9	49.9
Real Property	1.6	1.2
	100.0 %	100.0 %
CAD	43.4 %	48.5 %
USD	38.0	34.3
Other	18.6	17.2
	100.0 %	100.0 %

chartered banks and approximately 85% of the client deposits were insured by the Canada Deposit Insurance Corporation (CDIC) at June 30, 2026.

Mortgage Portfolio

At June 30, 2026, residential mortgages including HELOCs, recorded on the Company's balance sheet, of $5.2 billion (December 31, 2025 – $5.3 billion) consisted of $4.6 billion sold to securitization programs (December 31, 2025 – $4.8 billion), $523.7 million held pending sale or securitization (December 31, 2025 – $492.9 million) and $7.8 million related to the Company's intermediary operations (December 31, 2025 – $9.9 million).

The Company manages credit risk related to residential mortgages through:

- Adhering to its lending policy and underwriting standards;
- Its loan servicing capabilities;
- Use of client-insured mortgage default insurance and mortgage portfolio default insurance held by the Company; and
- Its practice of originating its mortgages exclusively through a network of mortgage advisors and IG Wealth Management advisors as part of a client's IG Living Plan.

In certain instances, credit risk is also limited by the terms and nature of securitization transactions as described below:

- Under the NHA MBS program totalling $2.6 billion (December 31, 2025 – $2.6 billion), the Company is obligated to make timely payment of principal and coupons irrespective of whether such payments were received from the mortgage borrower. However, as required by the NHA MBS program, 100% of the loans are insured by an approved insurer.
- Credit risk for mortgages securitized by transfer to bank-sponsored securitization trusts totalling $2.0 billion (December 31, 2025 – $2.2 billion) is limited to amounts held in cash reserve accounts and future net interest income, the fair values of which were $49.2 million (December 31, 2025 – $53.7 million) and $52.9 million (December 31, 2025 – $51.4 million), respectively, at June 30, 2026. Cash reserve accounts are reflected on the balance sheet, whereas rights to future net interest income are not reflected on the balance sheet and will be recorded over the life of the mortgages.

At June 30, 2026, residential mortgages recorded on the balance sheet were 55.6% insured (December 31, 2025 – 52.6%). At June 30, 2026, impaired mortgages on these portfolios were $4.8 million, compared to $5.5 million at December 31, 2025. Uninsured non-performing mortgages over 90 days on these portfolios were $3.1 million at June 30, 2026, compared to $3.3 million at December 31, 2025.

The Company also retains certain elements of credit risk on mortgage loans sold to the IG Mackenzie Mortgage and Short-Term Income Fund through an agreement to repurchase mortgages in certain circumstances benefiting the funds. These loans are not recorded on the Company's balance sheet as the Company has transferred substantially all of the risks and rewards of ownership associated with these loans.

The Company's allowance for expected credit losses was $0.6 million at June 30, 2026, compared to $0.7 million at December 31, 2025.

Derivatives

The Company is exposed to credit risk through derivative contracts it utilizes to hedge interest rate risk, to facilitate securitization transactions and to hedge market risk related to certain stock-based compensation

Table 29: Contractual Obligations

As at June 30, 2026 *($ millions)*	Demand	Less than 1 Year	1–5 Years	After 5 Years	Total
Derivative financial instruments	$ –	$ 6.2	$ 4.8	$ –	$ 11.0
Client deposits[1]	2,932.2	–	–	–	2,932.2
Obligations to securitization entities	–	1,016.3	3,668.7	22.3	4,707.3
Leases[2]	–	27.9	101.7	94.1	223.7
Long-term debt	–	400.0	275.0	2,125.0	2,800.0
Total contractual obligations	**$ 2,932.2**	**$ 1,450.4**	**$ 4,050.2**	**$ 2,241.4**	**$ 10,674.2**

(1) Client deposits due on demand are primarily offset by client funds held on deposit.
(2) Includes remaining lease payments related to office space and equipment used in the normal course of business.

arrangements. These derivatives are discussed more fully under the Market Risk section of this MD&A.

To the extent that the fair value of the derivatives is in a gain position, the Company is exposed to credit risk if its counterparties fail to fulfil their obligations under these arrangements.

The aggregate credit risk exposure related to derivatives that are in a gain position of $81.2 million (December 31, 2025 – $71.6 million) does not give effect to any netting agreements or collateral arrangements. The exposure to credit risk, considering netting agreements and collateral arrangements and including rights to future net interest income, was $31.8 million at June 30, 2026 (December 31, 2025 – $33.7 million).

Additional information related to the Company's securitization activities and utilization of derivative contracts can be found in Note 7 to the Interim Financial Statements and Notes 2, 6, 7 and 23 to the Consolidated Financial Statements included in the 2025 Annual Report.

Market Risk

This is the risk of loss arising from changes in the values of the Company's financial instruments due to changes in interest rates, equity prices or foreign exchange rates.

Interest Rate Risk

IGM Financial is exposed to interest rate risk on its mortgage portfolio and on certain of the derivative financial instruments used in our mortgage banking operations.

The Company manages interest rate risk associated with its mortgage banking operations by entering into interest rate swaps with Canadian Schedule I chartered banks as follows:

- The Company has in certain instances funded floating rate mortgages with fixed rate Canada Mortgage Bonds as part of the securitization transactions under the CMB Program. As part of the CMB Program, the Company is party to a swap whereby it is entitled to receive investment returns on reinvested mortgage principal and is obligated to pay Canada Mortgage Bond coupons. This swap had a fair value of negative $3.1 million (December 31, 2025 – negative $4.4 million) and an outstanding notional amount of $0.3 billion at June 30, 2026 (December 31, 2025 – $0.2 billion). The Company enters into interest rate swaps with Canadian Schedule I chartered banks to hedge the risk that the interest rates earned on floating rate mortgages and reinvestment returns decline. The fair value of these swaps totalled negative $0.3 million (December 31, 2025 – negative $0.3 million), on an outstanding notional amount of $1.2 billion at June 30, 2026 (December 31, 2025 – $1.2 billion). The net fair value of these swaps of negative $3.4 million at June 30, 2026 (December 31, 2025 – negative $4.7 million) is recorded on the balance sheet and has an outstanding notional amount of $1.5 billion (December 31, 2025 – $1.4 billion).
- The Company is exposed to the impact that changes in interest rates may have on the value of mortgages committed to or held pending sale or securitization to long-term funding sources. The Company enters into interest rate swaps to hedge the interest rate risk related to funding costs for mortgages held by the Company pending sale or securitization. Hedge accounting is applied to the cost of funds on certain securitization activities. The effective portion of fair value changes of the associated interest rate swaps are initially recognized in Other comprehensive income and subsequently recognized in Wealth Management revenue over the term of the related Obligations to securitization entities. The fair value of these swaps was negative $0.1 million (December 31, 2025 – negative $0.1 million) on an outstanding notional amount of $167.3 million at June 30, 2026 (December 31, 2025 – $157.2 million).

As at June 30, 2026, the impact to annual net earnings of a 100 basis point increase in interest rates would have been a decrease of approximately $0.4 million (December 31, 2025 – increase of $0.2 million). The Company's exposure to and management of interest rate risk have not changed materially since December 31, 2025.

Equity Price Risk

IGM Financial is exposed to equity price risk on our equity investments which are classified as either FVTOCI or FVTPL, and on our investments in associates, which are accounted for using the equity method. The fair value of other investments was $2.9 billion at June 30, 2026 (December 31, 2025 – $2.5 billion), as shown in Table 21, and the carrying value of investment in associates was $3.9 billion at June 30, 2026 (December 31, 2025 – $3.8 billion).

The Company sponsors a number of deferred compensation arrangements where payments to participants are deferred and linked to the performance of the common shares of IGM Financial Inc. The Company hedges its exposure to this risk through the use of forward agreements and total return swaps.

Foreign Exchange Risk

IGM Financial is exposed to foreign exchange risk on its investment in ChinaAMC and Rockefeller. Changes to the carrying value due to changes in foreign exchange rates are recognized in Other comprehensive income. As at June 30, 2026, a 5% appreciation (depreciation) in Canadian currency relative to foreign currencies would decrease (increase) the aggregate carrying value of foreign investments by approximately $128.0 million ($141.5 million).

The Company's proportionate share of ChinaAMC's and Rockefeller's earnings, recorded in Proportionate share of associates' earnings in the Consolidated Statements of Earnings, is also affected by changes in foreign exchange rates. For the period ended June 30, 2026, the impact to net earnings of a 5% appreciation (depreciation) in Canadian currency relative to foreign currencies would decrease (increase) the Company's proportionate share of associates' earnings by approximately $2.1 million ($2.3 million).

Emerging Risks

The following risks have been updated to reflect emerging risks impacting the Company.

Technology and Cyber Risk

This is the risk of failure or inappropriate usage of information and technology that enables business operations and strategies which may result in business disruption and missed opportunities.

Technology underpins our business operations and the client, employee and advisor experience. As a result, we are exposed to cybersecurity risks such as identity theft, compromise of technology systems and malicious software attacks. As the financial services industry adopts artificial intelligence (AI) to enhance productivity and client experience, threat actors may also use these tools to increase the sophistication and scale of cyberattacks. Globally, the volume of these activities has increased and could compromise confidential information of the Company and its clients or other stakeholders and result in other negative consequences including lost revenue, litigation, regulatory scrutiny or reputational damage. Our technology risk management policy provides a framework for managing technology risk, alongside enterprise-wide cybersecurity programs, benchmarking of capabilities to sound industry practices, and threat and vulnerability assessment and response capabilities, which together provide resiliency in addressing this risk.

General Business Conditions

This risk refers to the potential for unfavourable impacts on IGM Financial resulting from competitive or other external factors relating to the marketplace.

Global economic conditions, changes in financial markets, as well as inflation, could impact the labour and housing market and could potentially have a broader effect on investor confidence, income levels and savings. In addition, geopolitical risk, ongoing trade tensions, including tariffs (and the threat of increased tariffs) and other governmental actions (including retaliatory measures), and other factors can influence inflation, interest rates, global economic growth, and business conditions in markets in which the Company operates. Global markets are currently exposed to the heightened economic uncertainty related to tariffs and counter-tariffs introduced by several countries. These conditions could result in reduced sales of IGM Financial's products and services and/or result in investors redeeming their investments. These factors may also affect the level and volatility of financial markets and the value of the Company's AUM, as described more fully under the Risks Related to AUM&A section of this MD&A.

To manage this risk, the Company, across its operating subsidiaries, communicates with clients and underscores the importance of financial planning across economic cycles. The Company and the industry continue to take steps to educate Canadian investors on the merits of financial planning, diversification and long-term investing. In periods of volatility, Wealth Management advisors and independent financial advisors play a key role in assisting investors in maintaining perspective and focus on their long-term objectives.

Competitive Risk

This risk refers to the potential for unfavourable impacts on IGM Financial resulting from inadequate product or service performance, quality or breadth.

IGM Financial, including its subsidiaries and strategic investments, operate in a highly competitive environment, competing with other financial service providers, investment managers and product and service types. Client development and retention can be influenced by a number of factors, including investment performance, products and services offered by competitors, relative service levels, relative pricing, product attributes, reputation and actions taken by competitors. The Company's performance depends in part on its ability to evaluate, adopt and govern new technologies, including AI-enabled capabilities. Failure to do so, or adverse outcomes arising from the use of such technologies by the Company or its competitors, could impact the Company's competitive position. These factors could have an adverse impact upon the Company's financial position and operating results.

We provide Wealth Management advisors, independent financial advisors, as well as retail and institutional clients with a high level of service and support and a broad range of investment products, with a focus on building enduring relationships. The Company's subsidiaries also continually review their respective product and service offering and pricing to ensure competitiveness in the marketplace. We strive to deliver strong investment performance on our products relative to benchmarks and peers. The Company recognizes the importance of pursuing AI in a responsible manner and is focused on evaluating and integrating these capabilities into our operations to support our competitive position where appropriate.

Critical Accounting Estimates and Policies

Summary of Critical Accounting Estimates

There were no changes to the Company's assumptions related to critical accounting estimates from those reported at December 31, 2025, except as follows:

- Goodwill and intangible assets – The Company completed its annual impairment tests of goodwill and indefinite life intangible assets based on April 1, 2026 financial information and determined there was no impairment in the value of those assets.

  The Company tests the fair value of goodwill and indefinite life intangible assets for impairment at least once a year and more frequently if an event or circumstance indicates the asset may be impaired.

  An impairment loss is recognized if the amount of the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units). Finite life intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

  These tests involve the use of estimates and assumptions appropriate in the circumstances. In assessing the recoverable amounts, valuation approaches are used that include discounted cash flow analysis and application of capitalization multiples to financial and operating metrics based upon precedent acquisition transactions and trading comparables. Assumptions and estimates employed include future changes in assets under management resulting from net sales and investment returns, pricing and profit margin changes, discount rates, and capitalization multiples.

Changes in Accounting Policies

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments

As of January 1, 2026, the Company has adopted the amendments to IFRS 9 and IFRS 7. The amendments introduce additional disclosures intended to enhance transparency around changes in fair value of equity instruments designated at FVTOCI, and clarify the timing of derecognition for financial liabilities settled through electronic payment systems.

The amendments did not have a material impact on the Company's Interim Financial Statements.

Future Accounting Changes

The Company continuously monitors the changes proposed by the International Accounting Standards Board (IASB) and analyzes the effect that changes in the standards may have on the Company's operations.

The IASB is currently undertaking a number of projects which will result in changes to existing IFRS standards that may affect the Company. Updates will be provided as the projects develop.

Internal Control Over Financial Reporting

During the second quarter of 2026, there have been no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Other Information

Transactions with Related Parties

There were no changes to the types of related party transactions from those reported at December 31, 2025. For further information on transactions involving related parties, see Notes 3, 10 and 28 to the Company's Consolidated Financial Statements included in the 2025 Annual Report.

Outstanding Share Data

Outstanding common shares of IGM Financial as at June 30, 2026 totalled 231,514,950. Outstanding stock options as at June 30, 2026 totalled 4,039,765 of which 1,718,740 were exercisable. As at July 24, 2026, outstanding common shares totalled 230,888,705 and outstanding stock options totalled 4,001,552 of which 1,680,785 were exercisable.

SEDAR+

Additional information relating to IGM Financial, including the Company's most recent financial statements and Annual Information Form, is available at www.sedarplus.ca.

Interim Condensed Consolidated Financial Statements (Unaudited)

Consolidated Statements of Earnings

(unaudited) (in thousands of Canadian dollars, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Revenues				
Wealth management *(Note 3)*	**$ 771,443**	$ 649,456	**$ 1,501,176**	$ 1,288,940
Asset management	**280,044**	253,816	**555,486**	511,748
Dealer compensation expense	**(87,643)**	(82,309)	**(174,697)**	(167,401)
Net asset management *(Note 3)*	**192,401**	171,507	**380,789**	344,347
Net investment income and other	**17,743**	11,665	**28,122**	19,397
Gain on partial sale of investment in associates *(Note 8)*	**9,925**	–	**9,925**	–
Proportionate share of associates' earnings *(Note 8)*	**75,551**	60,092	**144,954**	115,835
	1,067,063	892,720	**2,064,966**	1,768,519
Expenses *(Note 4)*				
Advisory and business development	**359,526**	304,796	**698,056**	606,051
Operations and support	**311,218**	212,359	**542,850**	426,724
Sub-advisory	**30,697**	23,147	**58,825**	46,311
Interest	**33,828**	32,260	**65,892**	64,234
	735,269	572,562	**1,365,623**	1,143,320
Earnings before income taxes	**331,794**	320,158	**699,343**	625,199
Income taxes	**68,798**	71,578	**151,036**	141,178
Net earnings	**262,996**	248,580	**548,307**	484,021
Non-controlling interest *(Note 8)*	**(1,544)**	(1,871)	**(3,039)**	(3,535)
Net earnings available to common shareholders	**$ 261,452**	$ 246,709	**$ 545,268**	$ 480,486
Earnings per share *(in dollars) (Note 16)*				
Net earnings available to common shareholders				
– Basic	**$ 1.13**	$ 1.04	**$ 2.34**	$ 2.03
– Diluted	**$ 1.12**	$ 1.04	**$ 2.32**	$ 2.02

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Comprehensive Income

(unaudited) (in thousands of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Net earnings	**$ 262,996**	$ 248,580	**$ 548,307**	$ 484,021
Other comprehensive income (loss), net of tax				
Items that will not be reclassified to Net earnings				
Fair value through other comprehensive income investments				
Other comprehensive income (loss) *(Note 5), net of tax of $(46,796), $(34,702), $(46,930) and $(36,762)*	**306,912**	229,879	**307,774**	243,074
Employee benefits				
Net actuarial gains (losses), *net of tax of $(359), $(4,854), $2,250 and $(4,689)*	**978**	13,211	**(6,121)**	12,764
Investment in associates – employee benefits and other				
Other comprehensive income (loss), *net of tax of nil*	**1,168**	406	**1,707**	785
Items that may be reclassified subsequently to Net earnings				
Investment in associates and other				
Other comprehensive income (loss), *net of tax of $(11,855), $7,518, $(19,480) and $7,010*	**80,730**	(115,361)	**136,745**	(95,050)
	389,788	128,135	**440,105**	161,573
Total comprehensive income	**652,784**	376,715	**988,412**	645,594
Non-controlling interest	**(1,544)**	(1,871)	**(3,039)**	(3,535)
Total comprehensive income available to common shareholders	**$ 651,240**	$ 374,844	**$ 985,373**	$ 642,059

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Balance Sheets

(unaudited) (in thousands of Canadian dollars)

	June 30 2026	December 31 2025
Assets		
Cash and cash equivalents	**$ 1,515,482**	$ 1,274,211
Other investments *(Note 5)*	**2,911,007**	2,522,120
Client funds on deposit	**2,978,575**	4,316,736
Accounts and other receivables	**314,243**	292,050
Income taxes recoverable	**12,342**	13,396
Loans *(Note 6)*	**5,183,306**	5,262,064
Derivative financial instruments	**80,651**	69,961
Other assets	**178,321**	183,478
Investment in associates *(Note 8)*	**3,871,506**	3,753,535
Capital assets	**354,388**	343,753
Capitalized sales commissions	**450,867**	440,784
Deferred income taxes	**1,032**	2,206
Intangible assets	**1,291,515**	1,290,685
Goodwill	**2,636,771**	2,636,771
Total assets	**$ 21,780,006**	$ 22,401,750
Liabilities		
Accounts payable and accrued liabilities	**$ 554,794**	$ 570,358
Income taxes payable	**20,776**	29,123
Derivative financial instruments	**10,993**	15,150
Client deposits	**2,932,248**	4,299,128
Other liabilities	**445,346**	355,460
Obligations to securitization entities *(Note 7)*	**4,707,315**	4,815,312
Lease obligations	**169,179**	165,210
Deferred income taxes	**759,396**	713,725
Long-term debt *(Note 9)*	**2,800,000**	2,400,000
Total liabilities	**12,400,047**	13,363,466
Equity		
Share capital		
Common shares	**1,897,541**	1,867,055
Contributed surplus	**47,235**	50,718
Retained earnings	**5,051,696**	5,166,596
Accumulated other comprehensive income (loss)	**2,297,831**	1,859,958
Total shareholders' equity	**9,294,303**	8,944,327
Non-controlling interest	**85,656**	93,957
Total equity	**9,379,959**	9,038,284
Total liabilities and equity	**$ 21,780,006**	$ 22,401,750

These interim condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on July 29, 2026.

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Changes in Equity

(unaudited) (in thousands of Canadian dollars)

Six months ended June 30	Share capital – Common shares *(Note 10)*	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss) *(Note 13)*	Non-controlling interest	Total equity
2026						
Balance, beginning of period	**$ 1,867,055**	**$ 50,718**	**$ 5,166,596**	**$ 1,859,958**	**$ 93,957**	**$ 9,038,284**
Net earnings	**–**	**–**	**545,268**	**–**	**3,039**	**548,307**
Other comprehensive income (loss), net of tax	**–**	**–**	**–**	**440,105**	**–**	**440,105**
Total comprehensive income (loss)	**–**	**–**	**545,268**	**440,105**	**3,039**	**988,412**
Common shares						
Issued under stock option plan	**74,504**	**–**	**–**	**–**	**–**	**74,504**
Purchased for cancellation	**(44,018)**	**–**	**–**	**–**	**–**	**(44,018)**
Stock options						
Current period expense	**–**	**1,838**	**–**	**–**	**–**	**1,838**
Exercised	**–**	**(5,321)**	**–**	**–**	**–**	**(5,321)**
Common share dividends	**–**	**–**	**(288,267)**	**–**	**–**	**(288,267)**
Dividends to non-controlling interest *(Note 8)*	**–**	**–**	**–**	**–**	**(11,340)**	**(11,340)**
Transfer out of fair value through other comprehensive income	**–**	**–**	**2,232**	**(2,232)**	**–**	**–**
Common share cancellation excess and other	**–**	**–**	**(374,133)**	**–**	**–**	**(374,133)**
Balance, end of period	**$ 1,897,541**	**$ 47,235**	**$ 5,051,696**	**$ 2,297,831**	**$ 85,656**	**$ 9,379,959**
2025						
Balance, beginning of period	$ 1,785,233	$ 54,589	$ 4,890,896	$ 1,070,057	$ 69,631	$ 7,870,406
Net earnings	–	–	480,486	–	3,535	484,021
Other comprehensive income (loss), net of tax	–	–	–	161,573	–	161,573
Total comprehensive income (loss)	–	–	480,486	161,573	3,535	645,594
Common shares						
Issued under stock option plan	30,534	–	–	–	–	30,534
Purchased for cancellation	(19,369)	–	–	–	–	(19,369)
Stock options						
Current period expense	–	1,764	–	–	–	1,764
Exercised	–	(1,812)	–	–	–	(1,812)
Common share dividends	–	–	(266,003)	–	–	(266,003)
Increase of non-controlling interest	–	–	–	–	12,200	12,200
Transfer out of fair value through other comprehensive income	–	–	18,871	(18,871)	–	–
Common share cancellation excess and other	–	–	(99,936)	–	–	(99,936)
Balance, end of period	$ 1,796,398	$ 54,541	$ 5,024,314	$ 1,212,759	$ 85,366	$ 8,173,378

(See accompanying notes to interim condensed consolidated financial statements)

Consolidated Statements of Cash Flows

(unaudited) (in thousands of Canadian dollars)

Six months ended June 30	2026	2025
Operating activities		
Earnings before income taxes	**$ 699,343**	$ 625,199
Income taxes paid	**(175,634)**	(168,383)
Adjustments to determine net cash from operating activities		
Capitalized sales commission amortization	**61,629**	56,170
Capitalized sales commissions paid	**(72,029)**	(61,635)
Amortization of capital, intangible and other assets	**50,659**	48,957
Proportionate share of associates' earnings, net of dividends received	**2,889**	(22,825)
Pension and other post-employment benefits	**2,311**	2,510
Restructuring provisions and other	**95,255**	–
Gain on partial sale of investment in associates	**(9,925)**	–
Changes in operating assets and liabilities and other	**(89,575)**	(115,167)
Cash from operating activities before restructuring provision payments	**564,923**	364,826
Restructuring provision cash payments	**(16,526)**	(9,197)
	548,397	355,629
Financing activities		
Increase in obligations to securitization entities	**792,553**	646,748
Repayments of obligations to securitization entities and other	**(908,531)**	(737,942)
Repayment of lease obligations	**(12,199)**	(9,642)
Issue of common shares	**69,184**	28,722
Issue of debentures	**400,000**	–
Common shares purchased for cancellation	**(385,822)**	(113,645)
Common share dividends paid	**(277,039)**	(267,030)
	(321,854)	(452,789)
Investing activities		
Purchase of other investments	**(55,186)**	(68,637)
Proceeds from the sale of other investments	**32,644**	57,047
Increase in loans	**(974,497)**	(913,233)
Repayment of loans and other	**1,046,728**	995,363
Net additions to capital assets	**(17,449)**	(19,887)
Net cash used in additions to intangible assets and other	**(29,588)**	(33,070)
Proceeds from the partial sale of investment in associates	**12,076**	–
	14,728	17,583
Increase (decrease) in cash and cash equivalents	**241,271**	(79,577)
Cash and cash equivalents, beginning of period	**1,274,211**	910,278
Cash and cash equivalents, end of period	**$ 1,515,482**	$ 830,701
Cash	**$ 1,062,195**	$ 598,002
Cash equivalents	**453,287**	232,699
	$ 1,515,482	$ 830,701
Supplemental disclosure of cash flow information related to operating activities		
Interest and dividends received	**$ 253,223**	$ 208,642
Interest paid	**$ 150,005**	$ 157,472

(See accompanying notes to interim condensed consolidated financial statements)

Notes to the Interim Condensed Consolidated Financial Statements

June 30, 2026 ***(unaudited) (in thousands of Canadian dollars, except shares and per share amounts)***

Note 1. Corporate information

IGM Financial Inc. (the Company) is a publicly listed company (TSX: IGM), incorporated and domiciled in Canada. The registered address of the Company is 447 Portage Avenue, Winnipeg, Manitoba, Canada. The Company is controlled by Power Corporation of Canada (Power).

IGM Financial Inc. is a wealth and asset management company which serves the financial needs of Canadians through its principal subsidiaries, each operating distinctly within the advice segment of the financial services market. The Company's wholly-owned principal subsidiaries are IGWM Inc. and Mackenzie Financial Corporation (Mackenzie).

Note 2. Summary of material accounting policies

The unaudited Interim Condensed Consolidated Financial Statements of the Company (Interim Financial Statements) have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using the accounting policies as set out in Note 2 to the Consolidated Financial Statements for the year ended December 31, 2025. The Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report.

Changes in accounting policies

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments

As of January 1, 2026, the Company has adopted the amendments to IFRS 9 and IFRS 7. The amendments introduce additional disclosures intended to enhance transparency around changes in fair value of equity instruments designated at FVTOCI, and clarify the timing of derecognition for financial liabilities settled through electronic payment systems.

The amendments did not have material impact on the Company's Interim Financial Statements.

Comparative figures

The Company reclassified certain comparative figures in its Consolidated Statements of Earnings to conform to the current year's presentation which resulted in prior year expenses being reclassified from Operations and support to Sub-advisory. The reclassifications are intended to provide additional details on the nature of the Company's expense categorizations and had no impact on the net earnings of the Company.

Future accounting changes

The Company continuously monitors changes proposed by the International Accounting Standards Board (IASB) and analyzes the effect that changes in the standards may have on the Company's operations.

Note 3. Revenues from contracts with customers

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Advisory fees	**$ 402,280**	$ 346,285	**$ 787,474**	$ 688,358
Product and program fees	**308,111**	260,149	**601,010**	520,752
	710,391	606,434	**1,388,484**	1,209,110
Other financial planning revenues	**61,052**	43,022	**112,692**	79,830
Wealth management	**771,443**	649,456	**1,501,176**	1,288,940
Asset management	**280,044**	253,816	**555,486**	511,748
Dealer compensation expense	**(87,643)**	(82,309)	**(174,697)**	(167,401)
Net asset management	**192,401**	171,507	**380,789**	344,347
Net revenues from contracts with customers	**$ 963,844**	$ 820,963	**$ 1,881,965**	$ 1,633,287

Wealth management revenue is earned by providing financial planning, investment advisory and related financial services. Advisory fees, related to financial planning, are associated with assets under management and advisement. Product and program fees, related to investment management and administration services, are associated with assets under management. Other financial planning revenues include insurance, banking products and services, and mortgage lending activities.

Asset management revenue, related to investment management advisory and administrative services, depends on the level and composition of assets under management.

Note 4. Expenses

During the second quarter, the Company incurred restructuring and other charges of $95.3 million ($70.1 million after-tax) related to actions taken to simplify the Company's organizational structure and operating model, and to improve efficiency. These actions are intended to create capacity for the Company to further invest in artificial intelligence (AI) capabilities. The initiatives include organizational structure changes, consolidation of certain team structures and streamlined workflows. The charge is primarily severance and also includes other related costs associated with these activities.

Note 5. Other investments

	June 30, 2026		December 31, 2025	
	Cost	**Fair value**	Cost	Fair value
Fair value through other comprehensive income (FVTOCI)				
Corporate investments	**$ 404,219**	**$ 2,765,926**	$ 403,284	$ 2,412,868
Fair value through profit or loss (FVTPL)				
Equity securities	**2**	**3**	2	2
Proprietary investment funds	**138,405**	**145,078**	107,680	109,250
	138,407	**145,081**	107,682	109,252
	$ 542,626	**$ 2,911,007**	$ 510,966	$ 2,522,120

Wealthsimple Financial Corp. (Wealthsimple) is a financial company that provides simple digital tools for growing and managing client money. The Company's investment in Wealthsimple is primarily held through a limited partnership controlled by Power and economic interest is presented net of certain partnership costs. The investment is classified at FVTOCI.

IGM Financial Inc. holds a 25.1% economic interest in Wealthsimple (December 31, 2025 – 25.5%) calculated using the treasury method which includes options that are in the money and assumes option proceeds are used to repurchase shares. The Company holds a 22.2% fully diluted economic interest (December 31, 2025 – 22.3%).

At June 30, 2026, the Company increased the fair value of its investment in Wealthsimple, net of certain partnership costs, to $2,592 million (December 31, 2025 – $2,258 million). The increase in fair value considers public market peer valuations, Wealthsimple's business performance and revenue expectations, as well as transactions which closed in the fourth quarter of 2025. Fair value is determined by using observable transactions in the investments' securities where available, discounted cash flows, and other valuation metrics, including revenue multiples used in the valuation of comparable public companies.

Note 6. Loans

	Contractual maturity				
	1 year or less	**1 – 5 years**	**Over 5 years**	**June 30 2026 Total**	December 31 2025 Total
Amortized cost					
Residential mortgages	**$ 1,101,496**	**$ 4,049,756**	**$ 14,984**	**$ 5,166,236**	$ 5,262,769
Less: Allowance for expected credit losses				**648**	705
				5,165,588	5,262,064
Fair value through profit or loss				**17,718**	–
				$ 5,183,306	$ 5,262,064
The change in the allowance for expected credit losses is as follows:					
Balance, beginning of period				**$ 705**	$ 783
Write-offs, net of recoveries				**(65)**	(187)
Change in expected credit losses				**8**	109
Balance, end of period				**$ 648**	$ 705

Total credit impaired loans as at June 30, 2026 were $4.8 million (December 31, 2025 – $5.5 million).

Total interest income on loans was $107.0 million (2025 – $107.3 million). Total interest expense on obligations to securitization entities, related to securitized loans, was $87.9 million (2025 – $94.5 million). Gains realized on the sale of residential mortgages totalled $2.6 million (2025 – $2.8 million). Fair value adjustments related to mortgage banking operations totalled $0.4 million (2025 – negative $2.2 million). These amounts were included in Wealth management revenue. Wealth management revenue also includes other mortgage banking related items including portfolio insurance, issue costs, and other items.

Note 7. Securitizations

The Company securitizes residential mortgages through the Canada Mortgage and Housing Corporation (CMHC) sponsored National Housing Act Mortgage-Backed Securities (NHA MBS) Program and Canada Mortgage Bond (CMB) Program and through Canadian bank-sponsored asset-backed commercial paper (ABCP) programs. These transactions do not meet the requirements for derecognition as the Company retains prepayment risk and certain elements of credit risk. Accordingly, the Company has retained these mortgages on its balance sheets and has recorded offsetting liabilities for the net proceeds received as Obligations to securitization entities which are recorded at amortized cost.

The Company earns interest on the mortgages and pays interest on the obligations to securitization entities. As part of the CMB transactions, the Company enters into a swap transaction whereby the Company pays coupons on CMBs and receives investment returns on the NHA MBS and the reinvestment of repaid mortgage principal. A component of this swap, related to the obligation to pay CMB coupons and receive investment returns on repaid mortgage principal, and the hedging swap used to manage exposure to changes in variable rate investment returns, are recorded as derivatives with a fair value of negative $3.4 million at June 30, 2026 (December 31, 2025 – negative $4.7 million).

All mortgages securitized under the NHA MBS and CMB Program are insured by CMHC or another approved insurer under the program. As part of the ABCP transactions, the Company has provided cash reserves for credit enhancement which are recorded at cost. Credit risk is limited to these cash reserves and future net interest income as the ABCP Trusts have no recourse to the Company's other assets for failure to make payments when due.

	Securitized mortgages	Obligations to securitization entities	Net
June 30, 2026			
Carrying value			
NHA MBS and CMB Program	**$ 2,619,282**	**$ 2,646,433**	**$ (27,151)**
Bank sponsored ABCP	**2,033,181**	**2,060,882**	**(27,701)**
Total	**$ 4,652,463**	**$ 4,707,315**	**$ (54,852)**
Fair value	**$ 4,811,152**	**$ 4,837,350**	**$ (26,198)**
December 31, 2025			
Carrying value			
NHA MBS and CMB Program	$ 2,580,268	$ 2,597,439	$ (17,171)
Bank sponsored ABCP	2,179,719	2,217,873	(38,154)
Total	$ 4,759,987	$ 4,815,312	$ (55,325)
Fair value	$ 4,890,342	$ 4,916,463	$ (26,121)

The carrying value of Obligations to securitization entities, which is recorded net of issue costs, includes principal payments received on securitized mortgages that are not due to be settled until after the reporting period. Issue costs are amortized over the life of the obligation on an effective interest rate basis.

Note 8. Investment in associates

	Great West	ChinaAMC	Rockefeller	Northleaf	Other	Total
June 30, 2026						
Balance, beginning of period	**$ 670,005**	**$ 2,081,216**	**$ 480,679**	**$ 471,901**	**$ 49,734**	**$ 3,753,535**
Dispositions	**–**	**–**	**–**	**–**	**(2,151)**	**(2,151)**
Dividends	**(29,663)**	**(61,480)**	**–**	**(56,700)**	**–**	**(147,843)**
Proportionate share of:						
Earnings (losses)	**54,572**	**78,498**	**(2,387)**	**15,191** (1)	**(920)**	**144,954**
Other comprehensive income (loss) and other adjustments	**(25,852)**	**132,998**	**15,865**	**–**	**–**	**123,011**
Balance, end of period	**$ 669,062**	**$ 2,231,232**	**$ 494,157**	**$ 430,392**	**$ 46,663**	**$ 3,871,506**
June 30, 2025						
Balance, beginning of period	$ 633,475	$ 2,030,081	$ 903,208	$ 353,565	$ 59,415	$ 3,979,744
Additions	–	–	–	61,000	–	61,000
Dividends	(27,006)	(66,004)	–	–	–	(93,010)
Proportionate share of:						
Earnings (losses)	41,989	60,261	(4,976)	17,677 (1)	884	115,835
Other comprehensive income (loss) and other adjustments	17,954	(72,434)	(47,235)	(3,296)	–	(105,011)
Balance, end of period	$ 666,412	$ 1,951,904	$ 850,997	$ 428,946	$ 60,299	$ 3,958,558

(1) The Company's proportionate share of Northleaf's earnings net of Non-controlling interest was $12,153 (2025 – $14,142).

The Company uses the equity method to account for its investments in associates, which include Great-West Lifeco Inc. (Great West), China Asset Management Co., Ltd. (ChinaAMC), Rockefeller Capital Management (Rockefeller), and Northleaf Capital Group Ltd. (Northleaf), as it exercises significant influence.

During the second quarter of 2026, Northleaf declared and paid dividends of $56.7 million ($45.4 million net of Non-controlling interest (NCI)), including a distribution of excess cash, in preparation for transactions that closed in the third quarter of 2026.

Subsequent to June 30, 2026, pursuant to the 2020 Northleaf transaction and related rights and obligations, the Company completed a series of transactions that aligned its voting rights and economic interests and increased its ownership in Northleaf by 4.9%, from 56.0% to 60.9%, for cash consideration of $43 million (Note 19).

Note 9. Long-term debt

On June 2, 2026, the Company issued $200 million of 10-year, 4.407% debentures and $200 million of 30-year, 5.002% debentures. The net proceeds were used by the Company to fund the early redemption on July 2, 2026 of all of its $400 million aggregate principal amount of 3.44% debentures due January 26, 2027.

Interest on debentures is recorded in interest expense in the Statements of Earnings.

Note 10. Share capital

Authorized

Unlimited number of:
- First preferred shares, issuable in series
- Second preferred shares, issuable in series
- Class 1 non-voting shares
- Common shares, no par value

Issued and outstanding

	June 30, 2026		June 30, 2025	
	Shares	**Stated value**	Shares	Stated value
Common shares:				
Balance, beginning of period	**235,137,873**	**$ 1,867,055**	237,878,838	$ 1,785,233
Issued under Stock Option Plan	**1,838,877**	**74,504**	735,055	30,534
Purchased for cancellation	**(5,461,800)**	**(44,018)**	(2,559,100)	(19,369)
Balance, end of period	**231,514,950**	**$ 1,897,541**	236,054,793	$ 1,796,398

Normal course issuer bid

On December 23, 2025, the Company commenced a Normal Course Issuer Bid (NCIB) which will continue until December 22, 2026, when the bid expires, or such earlier date as the Company completes its purchases pursuant to the notice of intention filed with the TSX. Pursuant to this bid, the Company may purchase up to 11.8 million or 5.0% of its common shares outstanding as at December 9, 2025. On December 23, 2024, the Company commenced an NCIB, effective until December 22, 2025, which authorized it to purchase up to 5.0 million or 2.1% of its common shares outstanding as at December 9, 2024. On November 13, 2025, the Company amended its NCIB to increase the maximum number of common shares that can be repurchased to 6.0 million shares or 2.5% of its common shares outstanding as at December 9, 2024.

In the second quarter of 2026, there were 2,631,800 shares (2025 – 804,400) purchased at a cost of $200.4 million (2025 – $34.9 million). In the six months ended June 30, 2026, there were 5,461,800 shares (2025 – 2,559,100) purchased at a cost of $385.8 million (2025 – $113.6 million). The premium paid to purchase the shares in excess of the stated value was charged to Retained earnings.

In connection with its NCIB, the Company has established an automatic securities purchase plan for its common shares. The automatic securities purchase plan provides standard instructions regarding how IGM Financial's common shares are to be purchased under the NCIB during certain pre-determined trading blackout periods, subject to pre-established parameters. Outside of these pre-determined trading blackout periods, purchases under the Company's NCIB will be completed based upon management's discretion.

Note 11. Capital management

The capital management policies, procedures and activities of the Company are discussed in the Capital Resources section of the Company's Management's Discussion and Analysis contained in the Second Quarter 2026 Report to Shareholders and in Note 19 to the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report and have not changed significantly since December 31, 2025.

Note 12. Share-based payments

Stock option plan

	June 30 2026	December 31 2025
Common share options		
– Outstanding	**4,039,765**	5,427,636
– Exercisable	**1,718,740**	2,654,864

In the second quarter of 2026, the Company granted 125,145 options to employees (2025 – 1,164). In the six months ended June 30, 2026, the Company granted 462,185 options to employees (2025 – 539,310). The weighted-average fair value of options granted during the six months ended June 30, 2026, has been estimated at $14.04 per option (2025 – $6.58) using the Black-Scholes option pricing model. The weighted-average closing share price at the grant date was $71.48.

Other assumptions used in these valuation methods include:

Six months ended June 30	**2026**	2025
Exercise price	**$ 70.43**	$ 44.55
Risk-free interest rate	**3.17%**	3.09%
Expected option life	**7 years**	7 years
Expected volatility	**24.27%**	24.00%
Expected dividend yield	**3.48%**	4.98%

Expected volatility has been estimated based on the historic volatility of the Company's share price over seven years which is reflective of the expected option life. Options vest over a period of up to 7.5 years from the grant date and are exercisable no later than 10 years after the grant date.

Note 13. Accumulated other comprehensive income (loss)

	Employee benefits	Other investments	Investment in associates and other	Total
June 30, 2026				
Balance, beginning of period	**$ 22,800**	**$ 1,739,295**	**$ 97,863**	**$ 1,859,958**
Other comprehensive income (loss)	**(6,121)**	**307,774**	**138,452**	**440,105**
Transfer out of FVTOCI	**–**	**(2,232)**	**–**	**(2,232)**
Balance, end of period	**$ 16,679**	**$ 2,044,837**	**$ 236,315**	**$ 2,297,831**
June 30, 2025				
Balance, beginning of period	$ 34,075	$ 917,297	$ 118,685	$ 1,070,057
Other comprehensive income (loss)	12,764	243,074	(94,265)	161,573
Transfer out of FVTOCI	–	(18,871)	–	(18,871)
Balance, end of period	$ 46,839	$ 1,141,500	$ 24,420	$ 1,212,759

Amounts are recorded net of tax.

Note 14. Risk management

The risk management policies and procedures of the Company are discussed in the Financial Risk section of the Company's Management's Discussion and Analysis contained in the Second Quarter 2026 Report to Shareholders and in Note 22 to the Consolidated Financial Statements in the 2025 IGM Financial Inc. Annual Report and have not changed significantly since December 31, 2025.

Note 15. Fair value of financial instruments

Fair values are management's estimates and are calculated using market conditions at a specific point in time and may not reflect future fair values. The calculations are subjective in nature, involve uncertainties and are matters of significant judgment.

All financial instruments measured at fair value and those for which fair value is disclosed are classified into one of three levels that distinguish fair value measurements by the significance of the inputs used for valuation.

Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in the most advantageous market, utilizing a hierarchy of three different valuation techniques, based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Observable inputs other than Level 1 quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs other than quoted prices that are observable or corroborated by observable market data; and

Level 3 – Unobservable inputs that are supported by little or no market activity. Valuation techniques are primarily model-based.

Markets are considered inactive when transactions are not occurring with sufficient regularity. Inactive markets may be characterized by a significant decline in the volume and level of observed trading activity or through large or erratic bid/offer spreads. In those instances where traded markets are not considered sufficiently active, fair value is measured using valuation models which may utilize predominantly observable market inputs (Level 2) or may utilize predominantly non-observable market inputs (Level 3). Management considers all reasonably available information including indicative broker quotations, any available pricing for similar instruments, recent arm's length market transactions, any relevant observable market inputs, and internal model-based estimates. Management exercises judgment in determining the most appropriate inputs and the weighting ascribed to each input as well as in the selection of valuation methodologies.

Fair value is determined using the following methods and assumptions:

Other investments and other financial assets and financial liabilities are valued using quoted prices from active markets, when available. When a quoted market price is not readily available, valuation techniques are used that require assumptions related to discount rates and the timing and amount of future cash flows. Wherever possible, observable market inputs are used in the valuation techniques.

Loans classified as Level 2 are valued using market interest rates for loans with similar credit risk and maturity.

Loans classified as Level 3 are valued by discounting the expected future cash flows at prevailing market yields.

Valuation methods used for Other investments classified as Level 3 include comparison to market transactions with arm's length third parties, use of market multiples, and discounted cash flow analysis.

Obligations to securitization entities are valued by discounting the expected future cash flows at prevailing market yields for securities issued by these securitization entities having similar terms and characteristics.

Long-term debt is valued using quoted prices for each debenture available in the market.

Derivative financial instruments are valued based on quoted market prices, where available, prevailing market rates for instruments with similar characteristics and maturities, or discounted cash flow analysis.

Level 1 financial instruments include exchange-traded equity investments and open-end investment fund units and other financial liabilities in instances where there are quoted prices available from active markets.

Level 2 assets and liabilities include fixed income securities, loans, derivative financial instruments and long-term debt. The fair value of fixed income securities is determined using quoted market prices or independent dealer price quotes. The fair value of derivative financial instruments is determined using valuation models, discounted cash flow methodologies, or similar techniques using primarily observable market inputs. The fair value of long-term debt is determined using indicative broker quotes.

Level 3 assets and liabilities include investments with little or no trading activity valued using broker-dealer quotes, loans, other financial assets, obligations to securitization entities and derivative financial instruments. Derivative financial instruments consist of principal reinvestment account swaps which represent the component of a swap entered into under the CMB Program whereby the Company pays coupons on Canada Mortgage Bonds and receives investment returns on the reinvestment of repaid mortgage principal. Fair value is determined by discounting the projected cash flows of the swaps. The notional amount, which is an input used to determine the fair value of the swap, is determined using an average unobservable prepayment rate of 15% which is based on historical prepayment patterns. An increase (decrease) in the assumed mortgage prepayment rate increases (decreases) the notional amount of the swap. Level 3 Other investments of $2,766 million are predominantly comprised of early-stage financial technology companies, including Wealthsimple with a fair value of $2,592 million. Fair value is determined by using observable transactions in the investments' securities, where available, discounted cash flows, and other valuation metrics, including revenue multiples, used in the valuation of comparable public companies. A 5% increase (decrease) to forecasted cash flows or revenue multiples would result in an increase (decrease) in fair value of the Company's investment in Wealthsimple of approximately $130 million.

The following table presents the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The table distinguishes between those financial instruments recorded at fair value and those recorded at amortized cost. The table also excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. These items include cash and cash equivalents, client funds on deposit, accounts and other receivables, certain other financial assets, accounts payable and accrued liabilities, client deposits, and certain other financial liabilities.

	Carrying value	Fair value Level 1	Level 2	Level 3	Total
June 30, 2026					
Financial assets recorded at fair value					
Other investments					
– FVTOCI	**$ 2,765,926**	**$ –**	**$ –**	**$ 2,765,926**	**$ 2,765,926**
– FVTPL	**145,081**	**145,081**	**–**	**–**	**145,081**
Loans					
– FVTPL	**17,718**	**–**	**17,718**	**–**	**17,718**
Derivative financial instruments	**80,651**	**–**	**78,068**	**2,583**	**80,651**
Financial assets recorded at amortized cost					
Loans					
– Amortized cost	**5,165,588**	**–**	**509,131**	**4,811,152**	**5,320,283**
Financial liabilities recorded at fair value					
Derivative financial instruments	**10,993**	**–**	**5,360**	**5,633**	**10,993**
Financial liabilities recorded at amortized cost					
Obligations to securitization entities	**4,707,315**	**–**	**–**	**4,837,350**	**4,837,350**
Long-term debt	**2,800,000**	**–**	**2,857,185**	**–**	**2,857,185**
December 31, 2025					
Financial assets recorded at fair value					
Other investments					
– FVTOCI	$ 2,412,868	$ –	$ –	$ 2,412,868	$ 2,412,868
– FVTPL	109,252	109,252	–	–	109,252
Derivative financial instruments	69,961	–	66,874	3,087	69,961
Financial assets recorded at amortized cost					
Loans					
– Amortized cost	5,262,064	–	499,359	4,890,342	5,389,701
Financial liabilities recorded at fair value					
Derivative financial instruments	15,150	–	7,665	7,485	15,150
Financial liabilities recorded at amortized cost					
Obligations to securitization entities	4,815,312	–	–	4,916,463	4,916,463
Long-term debt	2,400,000	–	2,441,727	–	2,441,727

There were no significant transfers between Level 1 and Level 2 in 2026 and 2025.

The following table provides a summary of changes in Level 3 assets and liabilities measured at fair value on a recurring basis. There were no transfers in or out of Level 3 in 2026 and 2025.

		Balance January 1		Gains (losses) included in Net earnings (1)		Gains (losses) included in Other comprehensive income		Purchases and issuances		Settlements		Balance June 30
June 30, 2026												
Other investments												
– FVTOCI	**$**	**2,412,868**	**$**	**–**	**$**	**354,704**	**$**	**5,893**	**$**	**7,539**	**$**	**2,765,926**
Derivative financial instruments, net		**(4,398)**		**1,209**		**–**		**125**		**(14)**		**(3,050)**
June 30, 2025												
Other investments												
– FVTOCI	$	1,350,376	$	–	$	279,831	$	6,847	$	25,560	$	1,611,494
Derivative financial instruments, net		(3,594)		(197)		–		(74)		2,426		(6,291)

(1) *Included in Wealth management revenue or Net investment income and other in the Consolidated Statements of Earnings.*

Note 16. Earnings per common share

		Three months ended June 30				Six months ended June 30		
		2026		2025		**2026**		2025
Earnings								
Net earnings	**$**	**262,996**	$	248,580	**$**	**548,307**	$	484,021
Non-controlling interest		**(1,544)**		(1,871)		**(3,039)**		(3,535)
Net earnings available to common shareholders	**$**	**261,452**	$	246,709	**$**	**545,268**	$	480,486
Number of common shares *(in thousands)*								
Weighted average number of common shares outstanding		**232,257**		236,435		**233,199**		236,850
Add: Potential exercise of outstanding stock options(1)		**1,630**		801		**1,486**		881
Average number of common shares outstanding – diluted basis		**233,887**		237,236		**234,685**		237,731
Earnings per common share *(in dollars)*								
Basic	**$**	**1.13**	$	1.04	**$**	**2.34**	$	2.03
Diluted	**$**	**1.12**	$	1.04	**$**	**2.32**	$	2.02

(1) *Excludes 44 thousand shares for the three months ended June 30, 2026, related to outstanding stock options that were anti-dilutive (2025 – 182 thousand). Excludes 82 thousand shares for the six months ended June 30, 2026, related to outstanding stock options that were anti-dilutive (2025 – 135 thousand).*

Note 17. Contingent liabilities

The Company is subject to legal actions arising in the normal course of its business. In December 2018, a proposed class action was filed in the Ontario Superior Court against Mackenzie Financial Corporation (Mackenzie) which alleges that the company should not have paid mutual fund trailing commissions to order execution only dealers. This action was certified in January 2024. In August 2022, a second proposed class action concerning the same subject matter was filed against Mackenzie.

In late March 2023, the Company was notified by one of our third-party vendors, InvestorCOM Inc., that they were compromised due to a cybersecurity incident related to a technology supplier to InvestorCOM, GoAnywhere. The Company has notified impacted clients and offered credit monitoring at no cost for all clients. Four proposed class actions have been filed against Mackenzie concerning this incident, two of which have been certified, in October 2025 and June 2026, respectively.

Although it is difficult to predict the outcome of any such legal actions, based on current knowledge, management does not expect the outcome of any of these matters, individually or in aggregate, to have a material adverse effect on the Company's consolidated financial position.

Note 18. Segmented information

The Company's reportable segments are:

- Wealth Management
- Asset Management
- Corporate and Other

These segments reflect the Company's internal financial reporting and performance measurement.

- **Wealth Management** – reflects the activities of its core business and strategic investments that are principally focused on providing financial planning and related services to retail client households. This segment includes the activities of IG Wealth Management which is a retail distribution organization that serves Canadian households through its investment dealer and other subsidiaries licensed to distribute financial products and services. A majority of the revenues of this segment are derived from providing financial advice and distributing financial products and services to Canadian households. This segment also includes the investment management activities of these organizations, including mutual fund management and discretionary portfolio management services. This segment also includes the Company's strategic investments in Rockefeller and Wealthsimple. Rockefeller is classified as an investment in associate and accounted for using the equity method, with the proportionate share of earnings included in revenue. Wealthsimple is classified as an investment which is accounted for at FVTOCI and therefore has no impact on the segment earnings.
- **Asset Management** – reflects the activities of its core business and strategic investments primarily focused on providing investment management services. This segment includes the operations of Mackenzie Investments which provides investment management services to a suite of investment funds that are distributed through third party dealers and financial advisors, and through institutional advisory mandates to financial institutions, pensions and other institutional investors. This segment also includes the Company's strategic investment in ChinaAMC and Northleaf which are classified as investments in associates and accounted for using the equity method. The proportionate share of earnings on these investments are included in the segment's revenue.
- **Corporate and Other** – primarily represents investments in Great West and Portage Ventures LPs, the Company's unallocated capital, as well as consolidation elimination entries.

2026

Three months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments (1)	Total
Revenues						
Wealth management	$ 777,110	$ –	$ (5,667)	$ 771,443	$ –	$ 771,443
Asset management	–	308,596	(28,552)	280,044	–	280,044
Dealer compensation	–	(85,417)	(2,226)	(87,643)	–	(87,643)
Net asset management	–	223,179	(30,778)	192,401	–	192,401
Net investment income and other	3,093	9,718	5,932	18,743	8,925	27,668
Proportionate share of associates' earnings	89	51,600	31,292	82,981	(7,430)	75,551
	780,292	284,497	779	1,065,568	1,495	1,067,063
Expenses						
Advisory and business development	333,672	25,856	(2)	359,526	–	359,526
Operations and support	121,115	95,245	603	216,963	94,255	311,218
Sub-advisory	61,361	5,783	(36,447)	30,697	–	30,697
	516,148	126,884	(35,846)	607,186	94,255	701,441
	264,144	157,613	36,625	458,382	(92,760)	365,622
Interest expense(2)	27,101	6,727	–	33,828	–	33,828
Earnings before income taxes	237,043	150,886	36,625	424,554	(92,760)	331,794
Income taxes	62,626	28,963	1,439	93,028	(24,230)	68,798
	174,417	121,923	35,186	331,526	(68,530)	262,996
Non-controlling interest	–	(1,544)	–	(1,544)	–	(1,544)
	$ 174,417	$ 120,379	$ 35,186	329,982	(68,530)	261,452
Great West other items(1)				(6,526)	6,526	–
Restructuring and other, net of tax(1)				(70,058)	70,058	–
Rockefeller equity compensation(1)				(904)	904	–
Gain on partial sale of investment in associates, net of tax(1)				8,958	(8,958)	–
Net earnings available to common shareholders				$ 261,452	$ –	$ 261,452

(1) The proportionate share of Great West other items, Restructuring and other, Rockefeller equity compensation and Gain on partial sale of investment in associates are not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

2025

Three months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments [(1)]	Total
Revenues						
Wealth management	$ 653,004	$ –	$ (3,548)	$ 649,456	$ –	$ 649,456
Asset management	–	280,097	(26,281)	253,816	–	253,816
Dealer compensation	–	(80,870)	(1,439)	(82,309)	–	(82,309)
Net asset management	–	199,227	(27,720)	171,507	–	171,507
Net investment income and other	2,199	5,011	4,455	11,665	–	11,665
Proportionate share of associates' earnings	(377)	39,015	27,431	66,069	(5,977)	60,092
	654,826	243,253	618	898,697	(5,977)	892,720
Expenses						
Advisory and business development	283,452	21,346	(2)	304,796	–	304,796
Operations and support	116,136	95,416	807	212,359	–	212,359
Sub-advisory	51,574	2,841	(31,268)	23,147	–	23,147
	451,162	119,603	(30,463)	540,302	–	540,302
	203,664	123,650	31,081	358,395	(5,977)	352,418
Interest expense[(2)]	25,763	6,497	–	32,260	–	32,260
Earnings before income taxes	177,901	117,153	31,081	326,135	(5,977)	320,158
Income taxes	47,043	23,548	987	71,578	–	71,578
	130,858	93,605	30,094	254,557	(5,977)	248,580
Non-controlling interest	–	(1,871)	–	(1,871)	–	(1,871)
	$ 130,858	$ 91,734	$ 30,094	252,686	(5,977)	246,709
Great West other items[(1)]				(5,977)	5,977	–
Net earnings available to common shareholders				$ 246,709	$ –	$ 246,709

(1) The proportionate share of Great West other items is not related to a specific segment and therefore excluded from segment results. This item has been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

2026

Six months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments (1)	Total
Revenues						
Wealth management	$ 1,511,857	$ –	$ (10,681)	$ 1,501,176	$ –	$ 1,501,176
Asset management	–	611,717	(56,231)	555,486	–	555,486
Dealer compensation	–	(170,470)	(4,227)	(174,697)	–	(174,697)
Net asset management	–	441,247	(60,458)	380,789	–	380,789
Net investment income and other	5,953	11,496	11,673	29,122	8,925	38,047
Proportionate share of associates' earnings	(2,403)	93,689	61,541	152,827	(7,873)	144,954
	1,515,407	546,432	2,075	2,063,914	1,052	2,064,966
Expenses						
Advisory and business development	645,136	52,924	(4)	698,056	–	698,056
Operations and support	247,339	200,230	1,026	448,595	94,255	542,850
Sub-advisory	119,500	10,465	(71,140)	58,825	–	58,825
	1,011,975	263,619	(70,118)	1,205,476	94,255	1,299,731
	503,432	282,813	72,193	858,438	(93,203)	765,235
Interest expense(2)	52,757	13,135	–	65,892	–	65,892
Earnings before income taxes	450,675	269,678	72,193	792,546	(93,203)	699,343
Income taxes	120,196	52,206	2,864	175,266	(24,230)	151,036
	330,479	217,472	69,329	617,280	(68,973)	548,307
Non-controlling interest	–	(3,039)	–	(3,039)	–	(3,039)
	$ 330,479	$ 214,433	$ 69,329	614,241	(68,973)	545,268
Great West other items(1)				(6,969)	6,969	–
Restructuring and other, net of tax(1)				(70,058)	70,058	–
Rockefeller equity compensation(1)				(904)	904	–
Gain on partial sale of investment in associates, net of tax(1)				8,958	(8,958)	–
Net earnings available to common shareholders				$ 545,268	$ –	$ 545,268
Identifiable assets	$ 13,224,489	$ 4,156,834	$ 1,761,912	$ 19,143,235	$ –	$ 19,143,235
Goodwill	1,346,245	1,290,526	–	2,636,771	–	2,636,771
Total assets	$ 14,570,734	$ 5,447,360	$ 1,761,912	$ 21,780,006	$ –	$ 21,780,006

(1) *The proportionate share of Great West other items, Restructuring and other, Rockefeller equity compensation and Gain on partial sale of investment in associates are not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.*

(2) *Interest expense includes interest on long-term debt and interest on leases.*

2025

Six months ended June 30	Wealth Management	Asset Management	Corporate and Other	Total Segment	Adjustments (1)	Total
Revenues						
Wealth management	$ 1,295,835	$ –	$ (6,895)	$ 1,288,940	$ –	$ 1,288,940
Asset management	–	564,538	(52,790)	511,748	–	511,748
Dealer compensation	–	(164,602)	(2,799)	(167,401)	–	(167,401)
Net asset management	–	399,936	(55,589)	344,347	–	344,347
Net investment income and other	4,226	6,476	8,695	19,397	–	19,397
Proportionate share of associates' earnings	(4,092)	77,938	51,951	125,797	(9,962)	115,835
	1,295,969	484,350	(1,838)	1,778,481	(9,962)	1,768,519
Expenses						
Advisory and business development	558,511	47,544	(4)	606,051	–	606,051
Operations and support	234,029	191,071	1,624	426,724	–	426,724
Sub-advisory	103,111	5,684	(62,484)	46,311	–	46,311
	895,651	244,299	(60,864)	1,079,086	–	1,079,086
	400,318	240,051	59,026	699,395	(9,962)	689,433
Interest expense(2)	51,280	12,954	–	64,234	–	64,234
Earnings before income taxes	349,038	227,097	59,026	635,161	(9,962)	625,199
Income taxes	93,917	45,348	1,913	141,178	–	141,178
	255,121	181,749	57,113	493,983	(9,962)	484,021
Non-controlling interest	–	(3,535)	–	(3,535)	–	(3,535)
	$ 255,121	$ 178,214	$ 57,113	490,448	(9,962)	480,486
Great West other items(1)				(9,962)	9,962	–
Net earnings available to common shareholders				$ 480,486	$ –	$ 480,486
Identifiable assets	$ 12,260,265	$ 3,863,637	$ 1,396,333	$ 17,520,235	$ –	$ 17,520,235
Goodwill	1,346,245	1,290,526	–	2,636,771	–	2,636,771
Total assets	$ 13,606,510	$ 5,154,163	$ 1,396,333	$ 20,157,006	$ –	$ 20,157,006

(1) The proportionate share of Great West other items is not related to a specific segment and therefore excluded from segment results. These items have been adjusted to reconcile Total Segment results to the Company's Consolidated Statements of Earnings.

(2) Interest expense includes interest on long-term debt and interest on leases.

Note 19. Subsequent event

Northleaf Capital Group Ltd.

As at June 30, 2026, the Company, through an acquisition vehicle owned 80% by Mackenzie and 20% by Great West, held a 49.9% voting interest and a 70% economic interest (56% net of NCI) in Northleaf, which was accounted for using the equity method. As a result of a series of transactions subsequent to June 30, 2026, the Company's voting interest was aligned with its economic interest, and the Company will therefore consolidate Northleaf beginning on July 1, 2026.

The transactions also increased the Company's ownership in Northleaf, net of NCI, by 4.9% to 60.9% for cash consideration of $43 million. These transactions were conducted at fair market value and will be accounted for as a business combination achieved in stages under IFRS 3, Business Combinations.

The Company will derecognize its existing interest in Northleaf, resulting in an accounting gain of approximately $187 million, or $149 million net of NCI, representing the difference between the fair value of its previously held interest of approximately $495 million and its carrying value of $345 million.

The estimated acquisition date fair value of Northleaf, which the Company will consolidate, is $884 million, comprised of cash consideration of $43 million, the fair value of the existing investment of approximately $495 million, and non-controlling interests valued at approximately $346 million, representing a 39.1% interest in Northleaf. The purchase price allocation, including the determination of the fair value of identifiable assets acquired, liabilities assumed, and resulting goodwill, has not yet been finalized and will be disclosed in the reporting period in which the acquisition is recognized.

As the transaction was completed after June 30, 2026, no amounts have been recognized in the current period in respect of the acquisition.

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