



POWER CORPORATION
OF CANADA

2020 Annual Information Form

March 23, 2021

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ITEM 1 GENERAL INFORMATION

Item 1.1 Defined terms

The following abbreviations have been used throughout this Annual Information Form:

Name in full	Abbreviation
adidas AG	adidas
Annual Information Form of Great-West Lifeco Inc., dated February 10, 2021	Lifeco's Annual Information Form
Annual Information Form of IGM Financial Inc., dated March 18, 2021	IGM Financial's Annual Information Form
The Canada Life Assurance Company	Canada Life
China Asset Management Co., Ltd.	China AMC
Frère Bourgeois / Compagnie Nationale à Portefeuille	Frère group
GEA Group AG	GEA
Great-West Life & Annuity Insurance Company	Empower Retirement
Great-West Lifeco Inc.	Lifeco
Groupe Bruxelles Lambert	GBL
IGM Financial Inc.	IGM Financial
Imerys SA	Imerys
Investment Planning Counsel Inc.	Investment Planning Counsel
Investors Group Inc.	IG Wealth Management
Irish Life Group Limited	Irish Life
LafargeHolcim Ltd.	LafargeHolcim
The Lion Electric Company	Lion Electric
Mackenzie Financial Corporation	Mackenzie Investments
Management's Discussion and Analysis of Power Corporation of Canada, dated March 17, 2021	Power's MD&A
Mowi ASA	Mowi
Northern Genesis Acquisition Corp.	Northern Genesis
Ontex BV	Ontex
Pansolo Holding Inc.	Pansolo
Pargesa Holding SA	Pargesa Holding
Parjointco SA	Parjointco
Parjointco Switzerland SA	Parjointco Switzerland
Parques Reunidos Servicios Centrales, S.A.	Parques
Pernod Ricard SA	Pernod
Portag3 Ventures Limited Partnership	Portag3 I
Portag3 Ventures II Limited Partnership	Portag3 II
Power Corporation of Canada	Power or the Corporation
Power Financial Corporation	Power Financial
Power Sustainable Capital Inc.	Power Sustainable
Putnam Investments, LLC	Putnam
Sagard Holdings Inc.	Sagard Holdings
SGS SA	SGS
Total SA	Total
Umicore NV/SA	Umicore
Wealthsimple Financial Corp.	Wealthsimple
Webhelp Group	Webhelp

Item 1.2 Information regarding Power Financial

Power Financial relies on certain of the continuous disclosure documents filed by Power pursuant to an exemption from the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* pursuant to Section 13.1 thereof and as provided in the decision of the Autorité des marchés financiers and the Ontario Securities Commission, dated January 19, 2021, regarding Power Financial and Power. This includes an exemption from the requirement for Power Financial to file an annual information form provided Power includes disclosure in its annual information form that would be required of Power Financial under Items 6 (Dividends and Distributions), 7 (Description of Capital Structure) and 8 (Market for Securities) of Form 51-102F2 – *Annual Information Form*.

ITEM 2 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated herein by reference to the extent specified herein:

- > Certain portions of Lifeco's Annual Information Form; and
- > Certain portions of IGM Financial's Annual Information Form.

The above documents have been prepared by Lifeco and IGM Financial, respectively, and are available on SEDAR under their respective company profiles at www.sedar.com.

In addition, certain portions of Power's MD&A are incorporated herein by reference to the extent specified herein. Power's MD&A is available on SEDAR under the Corporation's profile at www.sedar.com.

ITEM 3 FORWARD-LOOKING INFORMATION

Certain statements in this Annual Information Form, 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 annual information forms. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments 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 fintech strategy, the expected impact of the COVID-19 pandemic on the Corporation and its subsidiaries' operations, results and dividends, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the intended effects of the Reorganization (as defined herein), the 2021 NCIB (as defined herein), the completion of the Lion Electric merger transaction, and the Corporation's subsidiaries' disclosed expectations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

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

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, as well as other considerations that are believed to be appropriate in the circumstances, including the availability of cash to complete purchases under the 2021 NCIB, that the list of factors in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries and with respect to forward-looking statements of the Corporation's subsidiaries disclosed in this Annual Information Form, the risks identified by such subsidiaries in their respective MD&A and annual information form most recently filed with the securities regulatory authorities in Canada and available at www.sedar.com. 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 Annual Information Form and Power's MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com. The sections entitled "General" of Lifeco's Annual Information Form and "Forward-Looking Statements" of IGM Financial's Annual Information Form are incorporated herein by reference.

ITEM 4 CORPORATE STRUCTURE

Item 4.1 Incorporation

Power Corporation of Canada — Power Corporation du Canada was incorporated on April 18, 1925 under *The Companies Act* (Canada) and continued under the *Canada Business Corporations Act* ("CBCA") on June 13, 1980. Its head and registered office is located at 751 Victoria Square, Montréal, Québec H2Y 2J3.

Since June 13, 1980, the Articles of Power have been amended as follows:

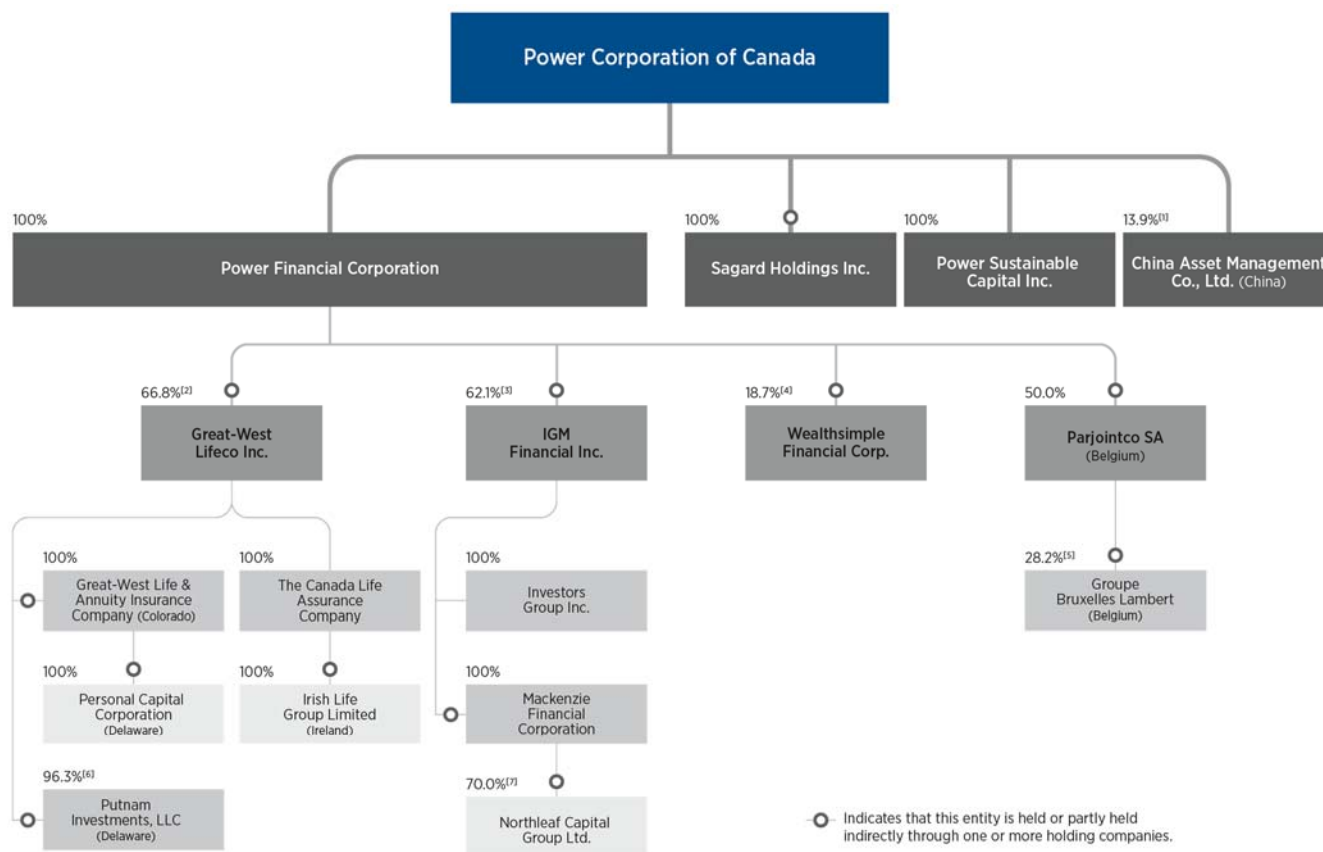
- > effective May 11, 1984, to re-designate as Subordinate Voting Shares the common shares of Power;
- > effective June 3, 1985, to subdivide the 15¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis, to re-designate the 15¢ Participating Preferred Shares as 7½¢ Participating Preferred Shares and to increase the size of the Board of Directors to a maximum of 27 members;
- > effective January 31, 1986, to create 2,000,000 Cumulative Redeemable First Preferred Shares, 1986 Series;
- > effective May 1, 1986, to increase the size of the Board of Directors to a maximum of 28 members;
- > effective June 16, 1986, to subdivide the 7½¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis and to re-designate the 7½¢ Participating Preferred Shares as 3¾¢ Participating Preferred Shares;
- > effective July 9, 1998, to subdivide the 3¾¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis and to re-designate the 3¾¢ Participating Preferred Shares as Participating Preferred Shares;
- > effective June 9, 1999, to create 6,000,000 5.60 per cent Non-Cumulative First Preferred Shares, Series A;
- > effective November 22, 2001, to create 8,000,000 5.35 per cent Non-Cumulative First Preferred Shares, Series B;
- > effective December 2, 2002, to create 6,000,000 5.80 per cent Non-Cumulative First Preferred Shares, Series C;
- > effective July 23, 2004, to subdivide the Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis;
- > effective October 12, 2005, to create 10,000,000 5.00 per cent Non-Cumulative First Preferred Shares, Series D; and
- > effective February 22, 2012, to create 8,000,000 5.60 per cent Non-Cumulative First Preferred Shares, Series G.

Item 4.2 Intercorporate relationships

The chart on the following page summarizes Power's corporate structure as at December 31, 2020, including interests in its material and certain other subsidiaries and investee companies. The chart sets forth the jurisdiction of incorporation (unless otherwise indicated, all companies were incorporated in Canada) and the approximate percentages of participating equity securities beneficially owned, or over which control or direction is exercised, directly or indirectly, by Power (unless otherwise indicated, such percentages also represent the approximate percentages of votes attached to voting securities beneficially owned, or over which control or direction is exercised, directly or indirectly, by Power) as at that date. Certain subsidiaries whose total assets or revenues did not represent more than 10 per cent of the Corporation's consolidated assets or revenues as at December 31, 2020 have been omitted^[a]. The subsidiaries that have been omitted represent, as a group, significantly less than 20 per cent of the consolidated assets and revenue of the Corporation as at December 31, 2020. The chart also omits certain subsidiaries whose primary role is to hold investments in other subsidiaries of the Corporation.

The sections entitled "Corporate Structure" of Lifeco's Annual Information Form and "General" of IGM Financial's Annual Information Form are incorporated herein by reference.

[a] Based on the Corporation's annual consolidated financial statements for the fiscal year ended December 31, 2020 filed with the Canadian securities regulators and which are available at www.sedar.com and on the Corporation's website.



[1] IGM Financial also holds a 13.9 per cent interest in China AMC.

[2] 53.7 per cent of the participating equity securities of Lifeco are owned by Power Financial and 3.1 per cent are owned by 3411893 Canada Inc., 6.8 per cent are owned by 3439453 Canada Inc. and 3.2 per cent are owned by 4400003 Canada Inc., each a wholly owned subsidiary of the Corporation. In addition, IGM Financial, a subsidiary of the Corporation, owns 4.0 per cent of the participating equity securities of Lifeco. The Corporation and its subsidiaries own, in the aggregate, voting securities to which are attached approximately 65.0 per cent of the votes attached to all voting securities of Lifeco.

[3] 58.9 per cent of the participating equity securities of IGM Financial are owned by Power Financial and 2.3 per cent are owned by 3411893 Canada Inc. and 0.9 per cent are owned by 4400003 Canada Inc., each a wholly owned subsidiary of the Corporation. In addition, Canada Life, a subsidiary of the Corporation, owns 3.9 per cent of the participating equity securities of IGM Financial (excluding 0.02 per cent of equity securities of IGM Financial held by Canada Life in its segregated funds or for similar purposes). The Corporation and its subsidiaries own, in the aggregate, voting securities to which are attached approximately 66.0 per cent of the votes attached to all voting securities of IGM Financial.

[4] Power Financial, Portag3 I and IGM Financial hold equity interests in Wealthsimple of 18.7 per cent, 14.8 per cent and 41.4 per cent, respectively, for an aggregate equity and voting interest of 74.9 per cent and 75.9 per cent, respectively.

[5] 43.2 per cent voting interest. Parjointco's interest in GBL is held through Parjointco Switzerland, a wholly owned subsidiary of Parjointco. GBL's shareholding structure and portfolio are further described in the section entitled "Narrative Description of the Business – Publicly traded operating companies – GBL".

[6] 100 per cent voting interest.

[7] 49.9 per cent voting interest. The Corporation's indirect interest in Northleaf Capital Group Ltd. is held through an acquisition vehicle in which IGM Financial holds an 80 per cent equity interest and Lifeco holds a 20 per cent equity interest.

ITEM 5 GENERAL DEVELOPMENT OF THE BUSINESS

Item 5.1 Business of Power

Power 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.

As at December 31, 2020, Power held all of the issued and outstanding Common Shares of Power Financial, representing an aggregate equity and voting interest of 100 per cent. Through Power Financial, Power controls Lifeco and IGM Financial and in recent years has implemented an active fintech strategy. It also holds jointly with the Frère group of Belgium an indirect interest in GBL. Recent developments regarding Power's interest in GBL are described in the section entitled "General Development of the Business – Development of the business over the last three years – Europe".

Power 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 and investment funds, including Sagard Holdings and Power Sustainable, and interests in China resulting from more than 40 years of engagement.

As at December 31, 2020, Power and its subsidiaries had, in aggregate, approximately 29,900 employees worldwide.

Item 5.2 Development of the business over the last three years

The sections entitled "General Development of the Business" of Lifeco's Annual Information Form and "Development of Business Over the Last Three Years" of IGM Financial's Annual Information Form are incorporated herein by reference.

NORTH AMERICA

On July 14, 2018, Gesca Holdings Inc. (formerly, La Presse, Ltée), a French-language news media company, wholly owned by the Corporation through its subsidiary Square Victoria Communications Group Inc., transferred its net assets to a new not-for-profit structure. Power retained responsibility for the funding, on a going-concern basis, of the retirement obligations accrued at the transaction date.

On July 25, 2018, Power issued \$250 million principal amount of 4.455 per cent debentures due July 27, 2048. On September 6, 2018, the net proceeds were used by the Corporation to fund the early redemption of all of its \$250 million aggregate principal amount of 7.57 per cent debentures due April 22, 2019.

On October 30, 2018, Portag3 Ventures, the venture capital arm of Sagard Holdings, announced the initial closing of Portag3 II, its second fintech venture fund focused on early stage investments in specific verticals within the global financial technology sector.

On November 27, 2018, through its indirect subsidiary Power Energy Eagle Creek LLP, Power Sustainable completed the disposition of its 54.8 per cent interest in Eagle Creek Renewable Energy, LLC, a U.S.-based owner and operator of hydroelectric facilities.

On April 17, 2019, Power Financial completed a substantial issuer bid (the "PFC SIB") and purchased for cancellation 49,999,973 of its Common Shares, representing approximately 7.0 per cent of its issued and outstanding Common Shares on a non-diluted basis prior to the repurchase, at a purchase price of \$33.00 per Common Share. Pursuant to the bid, 42,436,370 (or 9.1 per cent) of the Common Shares beneficially owned by Power were repurchased by Power Financial.

On April 17, 2019, the Corporation also completed a substantial issuer bid (the "PCC SIB") and purchased for cancellation 40,909,041 of its Subordinate Voting Shares, representing approximately 9.8 per cent of its issued and outstanding Subordinate Voting Shares on a non-diluted basis prior to the repurchase, at a purchase price of \$33.00 per Subordinate Voting Share. The PFC SIB and the PCC SIB allowed each of Power Financial and the Corporation to return capital to their respective shareholders while maintaining a strong capital position to fund future growth opportunities.

On July 30, 2019, Power Sustainable, through a wholly owned subsidiary, acquired a 100 per cent equity interest in Nautilus Solar Energy, LLC, a company that acquires, develops, finances and manages distributed solar projects across community, municipal/utility-scale, commercial and industrial markets.

On February 13, 2020, the Corporation and Power Financial completed a reorganization transaction (the "Reorganization") pursuant to which each Common Share of Power Financial held by shareholders other than the Corporation and its wholly owned subsidiaries (the "PFC Minority Shareholders") was exchanged for 1.05 Subordinate Voting Shares and \$0.01 in cash. In connection with the Reorganization, the Corporation issued an aggregate of 250,628,173 Subordinate Voting Shares to the PFC Minority Shareholders. Immediately following the completion of the Reorganization, the Corporation beneficially owned, directly and indirectly, all of the issued and outstanding Common Shares of Power Financial. Power Financial's First Preferred Shares remain outstanding shares of Power Financial listed on the Toronto Stock Exchange (the "TSX") following the completion of the Reorganization, and Power Financial's 6.9 per cent debentures due March 11, 2033 remain outstanding as obligations of Power Financial.

On February 12, 2020, in connection with the Reorganization, and in accordance with the pre-emptive right (the "Pre-Emptive Right") in favour of holders of Participating Preferred Shares included in the Corporation's Articles, the Corporation issued 6,006,094 Participating Preferred Shares to holders who duly exercised the Pre-Emptive Right. The Pre-Emptive Right entitled holders of Participating Preferred Shares to acquire from the Corporation, *pro rata* to their respective holdings in Participating Preferred Shares, an aggregate number of Participating Preferred Shares that is equal to 12.0 per cent of the number of Subordinate Voting Shares proposed to be issued pursuant to the Reorganization. Pansolo purchased 6 million Participating Preferred Shares on February 12, 2020, so as to own, as of February 13, 2020, approximately 48.4 million Subordinate Voting Shares and 54.7 million Participating Preferred Shares, representing an aggregate 50.6 per cent of the total votes of all Power shares outstanding at that time. There were no further exercises of the Pre-Emptive Right on or prior to the subsequent deadline of March 12, 2020.

On February 18, 2020, the Corporation announced that the TSX had accepted the Corporation's notice of intention to make a normal course issuer bid (the "2020 NCIB") to purchase for cancellation, on the open market, at its discretion for the 12 month period commencing on February 20, 2020 and ending on February 19, 2021, up to 30,000,000 Subordinate Voting Shares, representing approximately 5.2 per cent of the "public float" of the Corporation's issued and outstanding Subordinate Voting Shares at that time. As at March 31, 2020, the Corporation had purchased for cancellation 7,352,500 Subordinate Voting Shares pursuant to the 2020 NCIB for a total purchase price of approximately \$193 million. At the end of March 2020, in light of the then-current market environment, the Corporation temporarily suspended its share buybacks under the 2020 NCIB and did not acquire any further shares under the 2020 NCIB.

On October 14, 2020, Wealthsimple announced that it had raised \$114 million on a pre-money valuation of Wealthsimple of \$1.4 billion. Prior to the investment, Power, IGM Financial and Lifeco together had a controlling interest in Wealthsimple of 70.1 per cent, on a fully diluted basis, of which Power's interest was 26.2 per cent. With the closing of the investment and as at December 31, 2020, Power, IGM Financial and Lifeco had a controlling interest in Wealthsimple of 61.7 per cent on a fully diluted basis, of which Power's interest is 23.1 per cent.

On November 30, 2020, Lion Electric, an innovative manufacturer of zero-emission vehicles in which Power Sustainable held an indirect equity interest of 44.1 per cent as at December 31, 2020, announced that it intended to combine with Northern Genesis. Northern Genesis is a publicly traded special purpose acquisition company focused on a commitment to sustainability and strong alignment with environmental, social and governance principles. Upon closing of the proposed transaction, it is expected that a wholly owned subsidiary of Lion Electric will merge with Northern Genesis, and as a result Lion Electric is expected to be listed on the TSX and the New York Stock Exchange. The proposed transaction also includes a US\$200 million committed private placement of common shares of Lion Electric through which Power Sustainable is expected to invest an additional US\$17 million. Power Sustainable also holds, through a wholly owned subsidiary, call rights to acquire additional shares from certain existing shareholders of Lion Electric. At completion of the proposed transaction, Power Sustainable is expected to hold an indirect equity interest of approximately 34.6 per cent in Lion Electric based on the subscription price, assuming the exercise of the call rights and no redemptions from Northern Genesis public stockholders.

On December 16, 2020, Sagard Holdings announced the first closing of Sagard Credit Partners II, LP, its second credit fund, with commitments totalling approximately US\$650 million.

On December 31, 2020, the Corporation announced the completion of an internal share capital reorganization of Power Financial that involved the issuance to the Corporation by Power Financial of Class A Common Shares (all of which were subsequently exchanged for Common Shares) and Third Preferred Shares, following which the Corporation became the direct holder of all of the issued and outstanding Common Shares of Power Financial.

On January 19, 2021, Power Sustainable announced the launch of the Power Sustainable Energy Infrastructure Partnership, an investment platform with an initial \$1 billion of committed capital dedicated to the renewable energy sector, including a commitment of \$400 million from Power Sustainable and of \$150 million from Lifeco. At the closing, certain existing operating assets and projects under development from Potentia Renewables Inc. and Nautilus Solar Energy, LLC were transferred to the Partnership in exchange for consideration in cash and units of the Partnership. In the future, Power Sustainable may transfer other projects currently under construction on their commercial operation date.

On February 1, 2021, 137,539 of Power Financial's First Preferred Shares, Series P were converted, on a one-for-one basis, into First Preferred Shares, Series Q of Power Financial; and 829,570 of Power Financial's First Preferred Shares, Series Q were converted, on a one-for-one basis, into First Preferred Shares, Series P of Power Financial, in each case, in accordance with the terms of such shares (see section entitled "Description of the Share Capital – Power Financial").

On February 18, 2021, Sagard Holdings announced the final closing of Sagard Healthcare Royalty Partners, LP, a fund that invests in the life sciences sector, with commitments totalling approximately US\$725 million.

On February 23, 2021, the Corporation announced that the TSX had accepted the Corporation's notice of intention to make a normal course issuer bid (the "2021 NCIB") to purchase for cancellation, on the open market, at its discretion during the period commencing on February 25, 2021 and ending on the earlier of February 24, 2022 and the completion of purchases under the 2021 NCIB, up to 30,000,000 Subordinate Voting Shares, representing approximately 5.3 per cent of the "public float" of the Corporation's issued and outstanding Subordinate Voting Shares. As at March 17, 2021, the Corporation had purchased for cancellation 1,160,000 Subordinate Voting Shares pursuant to the 2021 NCIB for a total purchase price of approximately \$36 million.

EUROPE

On February 8, 2018, GBL invested an additional €144 million in Umicore. In 2019, it continued to strengthen its position in Umicore so as to hold, as at December 31, 2019 and December 31, 2020, respectively, 18.0 per cent of the share capital of Umicore.

In March 2018, GBL increased its participation in GEA so as to hold, as at March 31, 2018, a 5.25 per cent stake in GEA valued at €349 million. As at December 31, 2020, GBL held 8.5 per cent of the share capital of GEA.

On May 9, 2018, GBL announced the sale of its 6.6 per cent stake in Burberry Group plc, corresponding to 27.6 million shares and proceeds of GBP498 million.

On June 12, 2018, GBL completed the issuance of seven-year 1.875 per cent €500 million bonds due June 19, 2025. The proceeds of this issuance were used by GBL for general corporate purposes and to allow GBL to lengthen its debt maturity profile.

On October 9, 2018, GBL's convertible bonds, issued on September 27, 2013, expired.

In 2019, GBL sold part of its investment in adidas for net proceeds of €499 million. GBL held 6.8 per cent of the share capital of adidas as at December 31, 2019 and December 31, 2020.

In March and April 2019, GBL sold a 0.6 per cent interest in Total through forward sales contracts maturing on January 24, 2020. GBL realized a gain of €411 million in the first quarter of 2020. As of January 24, 2020, GBL's interest in Total was reduced to 0.01 per cent.

On September 6, 2019, GBL announced the completion of an offering by its wholly owned subsidiary Eliott Capital S.à.r.l. of €750 million of bonds (the “EC Bonds”) exchangeable into existing registered shares of LafargeHolcim guaranteed by GBL. The EC Bonds do not bear interest and mature on December 30, 2022, except in the case of early redemption. The EC Bonds have been issued at an issue price of 101.0 per cent of their principal amount and are redeemable at their principal amount at maturity, corresponding to an annual gross yield to maturity of -0.3 per cent. The proceeds of the offering were used by GBL for general corporate purposes.

On November 19, 2019, GBL completed the acquisition of Webhelp, a provider of customer experience and business process outsourcing. GBL invested €0.9 billion for an ownership of 64.7 per cent of the capital of the investment vehicle, on the basis of a total enterprise value of €2.4 billion for Webhelp. As at December 31, 2020, GBL held a 61.5 per cent interest in Webhelp.

In December 2019, the shares of Parques were delisted following the approval by the Comisión Nacional del Mercado de Valores of Piolin Bidco, S.A.U.’s voluntary takeover bid for the shares of Parques (“Piolin’s Bid”). In accordance with its irrevocable undertaking to do so if Piolin’s Bid was successful, GBL contributed its Parques shares to Piolin’s Bid. As at December 31, 2020, GBL held indirectly 23.0 per cent of the share capital of Parques (compared to 23.3 per cent upon completion of Piolin’s Bid).

On February 4, 2020, GBL invested an additional €374 million in SGS. Following this investment and as at December 31, 2020, GBL held 18.9 per cent of the share capital of SGS (compared to 16.7 per cent as at December 31, 2019).

On March 11, 2020, Parjointco and Pargesa Holding announced an agreement for a transaction that would simplify the group structure. A public exchange offer was launched by Parjointco Switzerland, a wholly owned subsidiary of Parjointco, for all Pargesa Holding shares Parjointco did not already own, under which Pargesa Holding shareholders received 0.93 shares of GBL for each Pargesa Holding bearer share they held. Following the successful public exchange offer, on November 20, 2020, Pargesa Holding and Parjointco Switzerland merged and, as a result, Pargesa Holding ceased to exist. As part of the merger, the remaining shareholders of Pargesa Holding were provided compensation of a value substantially equivalent to the exchange ratio offered by Parjointco Switzerland during the exchange offer, on terms and conditions described in the merger agreement.

At GBL’s extraordinary shareholders meeting held on April 28, 2020, GBL shareholders approved the implementation of double-voting rights. Following the public exchange offer and the implementation of such double-voting rights, as at December 31, 2020, Parjointco Switzerland held a 28.2 per cent equity interest in GBL, representing a 43.2 per cent voting interest.

In 2020, GBL invested progressively in Mowi, a producer of Atlantic salmon. As at December 31, 2020, GBL held 5.8 per cent of the share capital of Mowi.

On October 1, 2020, GBL announced the completion of an offering by its wholly owned subsidiary Oliver Capital of €450 million of bonds (the “OC Bonds”) exchangeable into existing no-par value ordinary bearer shares of GEA guaranteed by GBL. The OC Bonds do not bear interest and mature on December 29, 2023, except in the case of early redemption. The OC Bonds have been issued at an issue price of 102.0 per cent of their principal amount and are redeemable at their principal amount at maturity, corresponding to an annual gross yield to maturity of -0.61 per cent. The proceeds of the offering will be used by GBL for general corporate purposes.

On December 15, 2020, GBL announced that it had entered into a definitive agreement to acquire a majority stake in Canyon Bicycles GmbH (“Canyon”), a fast-growing German manufacturer and direct-to-consumer distributor of premium conventional and electric bikes with global reach. On March 9, 2021, GBL completed the acquisition of, and invested €0.4 billion in, Canyon. As at the completion of the acquisition, GBL controlled the acquisition vehicle that acquired Canyon, holding 60 per cent of such entity.

On January 21, 2021, GBL announced the issuance of ten-year 0.125 per cent €500 million bonds due January 28, 2031. The proceeds of this issuance will be used by GBL for general corporate purposes and will enable GBL to extend the average maturity of its gross financial indebtedness.

The GBL portfolio currently consists primarily of investments in Imerys, SGS, adidas, Pernod Ricard, LafargeHolcim, Umicore, GEA, Ontex, Mowi, Webhelp and Parques. The ownership interest of Power in these companies as at December 31, 2020, through GBL, is further described in the section entitled “Narrative Description of the Business – Publicly traded operating companies – GBL”. In addition, through its subsidiary Sienna Capital, GBL is developing a portfolio of private equity, debt and thematic funds.

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have responded with significant monetary and fiscal interventions designed to stabilize economic conditions. Equity markets in particular have been volatile, experiencing material and rapid declines in the first quarter of 2020; however, during the remainder of 2020, the markets experienced recoveries.

The Corporation is managing the risks associated with the COVID-19 pandemic utilizing its existing risk management framework. At Power and its group companies, the focus has continued to be on managing the safety and well-being of its people, maintaining operational effectiveness, ensuring that the group can serve its customers, assessing impacts on earnings, liquidity and capital, planning for different potential scenarios and engaging with stakeholders. The respective boards of directors of Lifeco, IGM Financial and GBL are responsible for the governance structures and processes to oversee the management of the risk and potential impacts presented by the current economic slowdown and other potential consequences due to COVID-19.

The duration and impact of the COVID-19 pandemic is unknown at this time. While the conditions have become more stable, governments and central banks in the jurisdictions in which the Corporation and its operating subsidiaries operate have implemented and extended many of the measures introduced earlier in 2020 to deal with the economic impacts of the COVID-19 pandemic; however, the depth and length of the economic slowdown, rollout and efficacy of vaccines, and durability and effectiveness of government and central bank interventions are unknown. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods.

The declaration and payment of dividends by the Corporation in future periods is dependent, among other things, on the ability of its operating subsidiaries and other investments to pay dividends which, in turn, will depend, among other things, on the duration of the COVID-19 pandemic and the severity and duration of its financial impacts.

Additional information about the risks and uncertainties of the Corporation’s business is provided in the section entitled “Risk Factors” of this Annual Information Form. Additional information on how the Corporation is managing the risks related to COVID-19 is provided under the section entitled “Risk Management” in Power’s MD&A, which section is incorporated herein by reference.

ITEM 6 NARRATIVE DESCRIPTION OF THE BUSINESS

Power 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.

Item 6.1 Publicly traded operating companies

Through its wholly owned subsidiary, Power Financial, the Corporation holds interests in financial services and asset management businesses in Canada, the United States and Europe, through its controlling interests in Lifeco and IGM Financial. Through Power Financial and its indirect investment in GBL, the Corporation also has significant holdings in a portfolio of European based global companies.

LIFECO

Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Lifeco operates in Canada, the United States and Europe through Canada Life, Empower Retirement, Putnam, Canada Life Limited and Irish Life. As at December 31, 2020, Lifeco and its subsidiaries had approximately \$2.0 trillion in assets under administration and approximately 24,500 employees worldwide.

Lifeco, through its operating subsidiaries, provides products and services under a number of brands, including Canada Life, Freedom 55 Financial™, Irish Life, Empower Retirement, Putnam Investments and PanAgora.

On January 1, 2020, Lifeco's three Canadian life insurance companies, The Great-West Life Assurance Company, London Life Insurance Company and Canada Life and their holding companies, Canada Life Financial Corporation and London Insurance Group Inc., amalgamated into one life insurance company, The Canada Life Assurance Company.

In Canada, Canada Life offers a broad portfolio of financial and benefit plan solutions for individuals, families, businesses and organizations through two primary business units: Individual Customer and Group Customer. Through the Individual Customer business unit, Canada Life provides life, disability and critical illness insurance products as well as wealth savings and income products and services to individual clients. Through the Group Customer business unit, Canada Life provides life, accidental death and dismemberment, critical illness, health and dental protection and creditor insurance as well as accumulation and annuity products and other specialty products to group clients in Canada. The products are distributed through a multi-channel network of brokers, advisors, managing general agencies and financial institutions including Freedom 55 Financial™ and Wealth and Insurance Solutions Enterprise.

In the United States, Empower Retirement offers employer-sponsored defined contribution plans, individual retirement accounts, enrollment services, communication materials, investment options and education services. The Great-West Investments brand offers fund management, investment and advisory services. Empower Retirement services and products are marketed nationwide through its sales force, brokers, consultants, advisors, third-party administrators and financial institutions. The Empower Institutional brand offers private label recordkeeping and administrative services for other providers of defined contribution plans and associated defined benefit plans. Empower Retirement is the second largest defined contribution recordkeeper in the United States and the largest provider of services to state defined contribution plans. Personal Capital Corporation, acquired by Empower Retirement in 2020, is a hybrid wealth manager that combines a leading-edge digital experience with personalized advice delivered by human advisors.

Putnam provides investment management, certain administrative functions and distribution services. Putnam offers a broad range of investment products, including equity, fixed income, absolute return and alternative strategies, institutional portfolios (including hedge fund and other alternative strategies), model-based separately managed accounts (SMAs) and model portfolios. Individual retail investors are served through a broad network of distribution relationships with unaffiliated broker-dealers, financial planners, registered investment advisors and other financial institutions that distribute the Putnam funds and defined contribution investment only services to their customers, which, in total, includes approximately

140,500 advisors. Institutional investors are supported by Putnam's dedicated account management, product management, and client service professionals.

The Europe segment is comprised of three distinct business units serving customers in the United Kingdom, Ireland and Germany respectively and offering protection and wealth management products, including payout annuity products. The core products offered by the U.K. business unit are bulk and individual payout annuities, equity release mortgages, investments (including life bonds, retirement drawdown and pension), individual protection and group insurance. These products are distributed primarily through independent financial advisors and employee benefit consultants in the U.K. The core products offered by Irish Life in Ireland are savings and investments, individual and group life insurance, health insurance and pension products. These products are distributed through independent brokers, a direct sales force and tied agent bank branches. The German operation focuses on pension, lifetime guaranteed minimum withdrawal benefit and individual protection products that are distributed through independent brokers and multi-tied agents.

The Capital and Risk Solutions segment includes the Reinsurance business unit, which operates primarily in the U.S., Barbados, Bermuda and Ireland. The Reinsurance business includes both reinsurance and retrocession business transacted directly with clients or through reinsurance brokers. The product portfolio offering includes life, annuity/longevity, mortgage, surety and property catastrophe reinsurance, provided on both a proportional and non-proportional basis.

Canada Life owned, as at December 31, 2020, approximately 9.2 million common shares (representing approximately 3.9 per cent) of IGM Financial (excluding approximately 0.04 million common shares of IGM Financial held by Canada Life in its segregated funds or for similar purposes).

The section entitled "Description of the Business" of Lifeco's Annual Information Form is incorporated herein by reference.

IGM FINANCIAL

IGM Financial is a leading wealth and asset management company, primarily providing investment advisory and related services, with \$240.0 billion in assets under management and advisement as at December 31, 2020. Its activities are carried out through IG Wealth Management, Mackenzie Investments and Investment Planning Counsel.

As at December 31, 2020, IGM Financial and its subsidiaries had 3,525 employees.

IGM Financial's Wealth Management segment reflects the activities of operating companies that are principally focused on providing financial planning and related services to Canadian households. This segment includes the activities of IG Wealth Management and Investment Planning Counsel. These firms are retail distribution organizations that serve Canadian households through their securities dealers, mutual fund dealers and other subsidiaries licensed to distribute financial products and services.

IG Wealth Management, founded in 1926, delivers personalized financial solutions to Canadians through a network of 3,304 consultants located throughout Canada, with \$103.3 billion in client assets under advisement as at December 31, 2020, which includes \$97.7 billion in assets under management. In addition to an exclusive family of mutual funds and other investment vehicles, IG Wealth Management offers a wide range of insurance, securities, mortgage products and other financial services.

Investment Planning Counsel, founded in 1996, is an independent distributor of financial products, services and advice in Canada. Investment Planning Counsel is a financial planning organization, with 696 financial advisors and \$29.3 billion in client assets under advisement as at December 31, 2020, which includes \$5.3 billion in assets under management.

IGM Financial's Asset Management segment reflects the activities of operating companies primarily focused on providing investment management services, and represents the operations of Mackenzie Investments, which was founded in 1967. Investment management services are provided 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. Assets managed for the Wealth Management segment are included in total assets under management. Mackenzie Investments' total assets under management including sub-advisory to Wealth Management

were \$186.8 billion as at December 31, 2020. Assets under management excluding sub-advisory to Wealth Management were \$110.9 billion.

IGM Financial's Strategic Investments and Other segment primarily represents the key strategic investments made by IGM Financial, including China AMC, Lifeco, Northleaf Capital Group Ltd., Wealthsimple, and the Portag3 I and Portag3 II funds, as well as unallocated capital. Investments are classified in this segment (as opposed to the Wealth Management or Asset Management segment) when warranted due to different market segments, growth profiles or other unique characteristics. As at December 31, 2020, IGM Financial owned approximately 37 million common shares (representing 4.0 per cent) of Lifeco.

The section entitled "Description of Business" of IGM Financial's Annual Information Form is incorporated herein by reference.

GBL

The information contained herein concerning GBL and the companies in which it has an investment has been publicly reported by GBL. Although Power has no knowledge that would indicate that any statements contained in such information are materially incorrect, Power takes no responsibility for the accuracy or completeness of such information, or for any omission by such companies to disclose facts or events which may have occurred or may affect the significance or accuracy of any such information but which are not known to Power.

BACKGROUND OF GBL

GBL is a Belgian holding company listed on the Brussels Stock Exchange with significant interests in a portfolio of European based global companies, as shown on the chart on page 19. As further described below, through Power Financial Europe SA, Power holds a 50 per cent interest in Parjointco, a holding company, which itself holds an indirect interest in GBL. The carrying value of the Corporation's indirect interest in GBL was \$4.216 billion as at December 31, 2020.

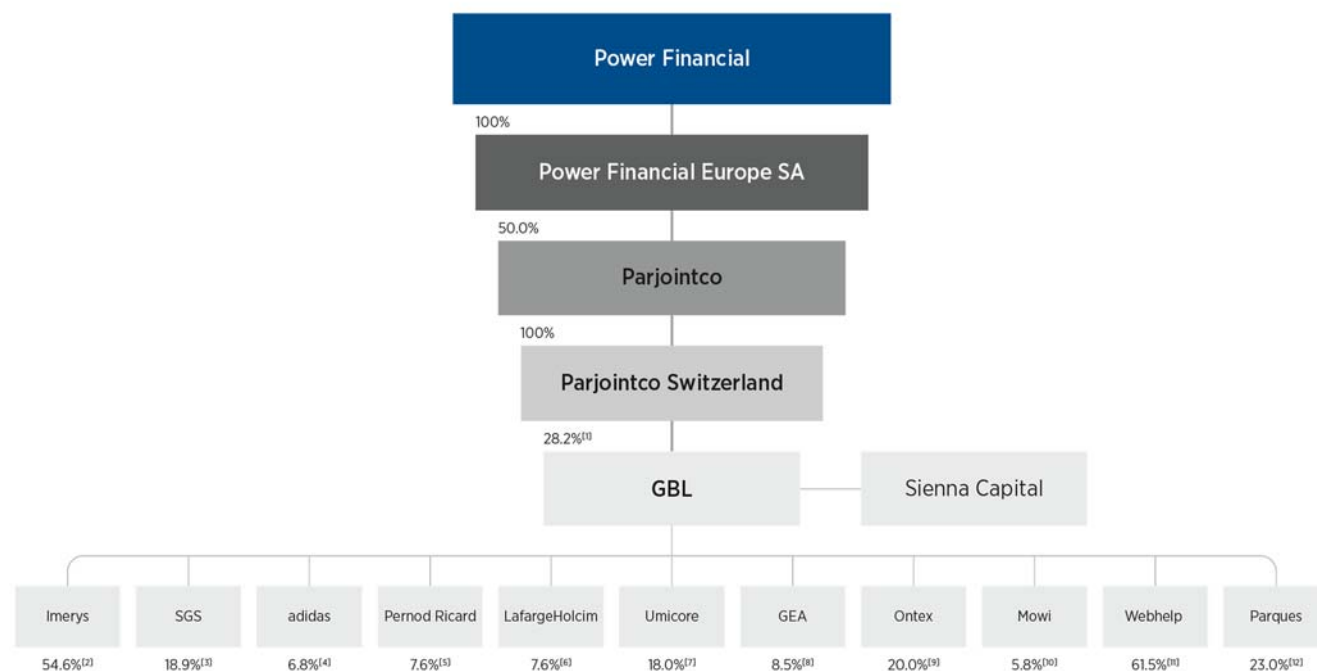
Pargesa Holding (which merged with Parjointco Switzerland, a wholly owned subsidiary of Parjointco, on November 20, 2020, as described in the section entitled "General Development of the Business – Development of the business over the last three years – Europe") was organized under the laws of Switzerland. In 1981, Power participated with European partners in reorganizing the company to acquire Paribas (Suisse) S.A. of Geneva. Power, and subsequently Power Financial, participated with others in the development of Pargesa Holding throughout the ensuing decade. The extent of this participation increased steadily and, under an agreement concluded in 1990 (the "agreement"), the Corporation now holds substantial interests in GBL with the Frère group of Charleroi, Belgium, another of the original partners in Pargesa Holding. Pursuant to the agreement, Power, through Power Financial Europe SA, and the Frère group established a new holding company structure bringing together their respective interests in Pargesa Holding and GBL. Each of the Power group and the Frère group hold a 50 per cent interest in Parjointco, governed by the laws of Belgium^[a]. The agreement was intended to achieve and maintain parity between the Power group and the Frère group with respect to their respective indirect holdings in each of Pargesa Holding, GBL (and at that time, Parfinance S.A.) and their respective designated subsidiaries. Each group agreed not to acquire, hold or dispose of interests in any of those corporations (other than through Parjointco), either directly or indirectly, and granted the other group a prior right, subject to certain restrictions, to acquire its interests in Pargesa Holding and GBL upon any disposition thereof for a period of five years beginning at the termination of the agreement. The initial agreement, signed in 1990, has been extended to December 31, 2029 with provision for possible further extension of the agreement. Upon the occurrence of an event of default, the groups must submit to pre-arbitration with a view of resolving the default and, if that is unsuccessful, shall proceed to arbitration.

Prior to the merger between Parjointco Switzerland and Pargesa Holding on November 20, 2020, Parjointco held its interest in GBL through Pargesa Holding. Following the merger, Parjointco's interest in GBL is held through

[a] Parjointco was incorporated under the laws of The Netherlands and continued under the laws of Belgium on December 17, 2020.

Parjointco Switzerland. As at December 31, 2020, Parjointco Switzerland held a 43.2 per cent voting interest and a 28.2 per cent equity interest in GBL.

The following is a simplified chart of GBL's corporate structure and includes direct and indirect principal holdings as at December 31, 2020.



Percentages denote interests in participating equity held by GBL and its direct and indirect subsidiaries. Further details of interests are shown on page 20.

[1] 43.2 per cent voting interest.

[2] 67.6 per cent voting interest.

[3] 18.9 per cent voting interest.

[4] 6.8 per cent voting interest.

[5] 12.7 per cent voting interest.

[6] 7.6 per cent voting interest.

[7] 18.0 per cent voting interest.

[8] 8.5 per cent voting interest.

[9] 20.0 per cent voting interest.

[10] 5.8 per cent voting interest.

[11] 61.5 per cent voting interest.

[12] 23.0 per cent voting interest.

Table of the interests of GBL and GBL's net asset value:

As at December 31, 2020 (in millions of €)	Jurisdiction of Incorporation	Net Assets (GBL's share)	% of GBL's net asset value
Listed Investments			
adidas	Germany	4,085.6	19.9
SGS	Switzerland	3,539.5	17.3
Pernod Ricard	France	3,119.2	15.2
LafargeHolcim	Switzerland	2,099.9	10.2
Imerys	France	1,794.2	8.8
Umicore	Belgium	1,744.2	8.5
Mowi	Norway	551.7	2.7
GEA	Germany	449.7	2.2
Ontex	Belgium	181.0	0.9
Non listed Investments			
Sienna Capital	Luxembourg	2,521.1	12.3
Webhelp	France	1,043.8	5.1
Parques	Spain	106.3	0.5
Other GBL		103.4	0.5
GBL treasury shares		721.4	3.5
GBL cash and cash equivalents, net of debt		(1,563.1)	(7.6)
Net asset value		20,497.9	100

GBL - DESCRIPTION OF GROUP COMPANIES

GBL's main holdings are an interest in Imerys (mineral-based specialty solutions for industry); SGS (testing, inspection and certification); adidas (design and distribution of sportswear); Pernod Ricard (wines and spirits); LafargeHolcim (cement, aggregates and concrete); Umicore (materials technology and recycling of precious metals); GEA (supply of equipment and project management for a wide range of processing industries, primarily in the food and beverage sectors); Ontex (disposable hygiene products); Mowi (producer of Atlantic salmon); Webhelp (provider of customer experience and business process outsourcing); and Parques (operation of regional leisure parks). In addition, through its subsidiary Sienna Capital, GBL is developing a portfolio of private equity, debt and thematic funds. For more information, please refer to Part D of Power's MD&A related to GBL or to the websites of the companies listed above in the GBL portfolio, which are not incorporated herein by reference.

Item 6.2 Alternative asset investment platforms

Since the launch of the first Sagard fund in 2002, the Corporation has continued to develop alternative asset investment platforms that manage portfolios on behalf of the Corporation and third-party investors in several alternative asset classes in three principal geographies: Europe, North America and China. The alternative asset investment platforms Sagard Holdings and Power Sustainable are managed locally by experienced investment professionals who have an in-depth knowledge of the local public and private markets and benefit from collaboration within the Power group of companies.

SAGARD HOLDINGS

Sagard Holdings, a wholly owned subsidiary of the Corporation, was founded in 2005 as a complement to the Corporation's global investment activities. Sagard Holdings is a multi-strategy alternative asset manager with professionals principally located in Canada, the U.S. and Europe. The operations of Sagard Holdings are comprised of asset management and investing activities.

ASSET MANAGEMENT ACTIVITIES

Sagard Holdings had US\$6.1 billion of assets under management as at December 31, 2020, including unfunded commitments, of which US\$181 million relates to equity interests in standalone businesses (see section entitled "Standalone

businesses" below), across four asset classes: private credit, healthcare royalties, venture capital and private equity, including US\$0.7 billion through its wealth management business.

In private credit, Sagard Credit Partners, LP, a fund launched in 2017, provides credit capital directly to public and private middle-market companies across the U.S. and Canada. In October 2020, Sagard Holdings launched Sagard Credit Partners II, LP, its second credit fund, which will invest in private credit, primarily in secured loans in what the fund's investment manager believes to be the underserved non-sponsor-backed middle market in Canada and the U.S.

In royalties, Sagard Healthcare Royalty Partners, LP, a fund launched in 2019, invests in the life sciences sector with a focus on investments protected by strong intellectual property. Sagard Healthcare Royalty Partners, LP invests in various structures including traditional healthcare royalties, royalty securitizations and royalty-related credit.

In venture capital, Portag3 Ventures, the venture capital arm of Sagard Holdings, is a global fintech investor focused on identifying visionary entrepreneurs building the next generation of financial service companies. Its global focus enables the leveraging of common knowledge from one region to another. Through its funds, Portag3 I and Portag3 II, Portag3 Ventures has invested in more than 50 fintech companies and investment funds.

In private equity, Sagard Holdings, through its wholly owned subsidiary Sagard SAS, a French management company headquartered in Paris, manages investment funds dedicated to investing in mid-sized and small cap private companies based in Europe. Sagard SAS currently has four private equity funds including Sagard Europe II, Sagard Europe 3 and its two new funds, Sagard Europe 4 and Sagard NewGen. Sagard NewGen is a European small cap fund focused on the healthcare and technology sectors.

In wealth management, as at December 31, 2020, Sagard Holdings Wealth LP, a fund controlled by Sagard Holdings, held a 48.6 per cent interest in Grayhawk Investment Strategies Inc. ("Grayhawk"), a registered portfolio manager, investment manager and exempt market dealer. As at December 31, 2020, Grayhawk managed \$0.9 billion in assets for high-net worth (HNW) Canadian families.

INVESTING ACTIVITIES

The Corporation's investments in Sagard Credit Partners, LP, Sagard Healthcare Royalty Partners, LP, Portag3 I, Portag3 II, Sagard Europe II, Sagard Europe 3, Sagard Europe 4 and Sagard NewGen, including those held through Power Financial, are managed by Sagard Holdings.

FINTECH INVESTMENTS

The Corporation's fintech investments are comprised of investments, primarily held through Power Financial, in the Portag3 I and Portag3 II funds and Wealthsimple.

WEALTHSIMPLE

As at December 31, 2020, Portag3 I, the Corporation and IGM Financial held, through a limited partnership ultimately controlled by the Corporation, an undiluted equity interest in Wealthsimple of 74.9 per cent, representing a voting interest of 75.9 per cent and a fully diluted equity interest of 61.7 per cent. Wealthsimple is a financial technology company operating a digital investing platform.

Wealthsimple's suite of investment and savings products includes Wealthsimple Cash, Wealthsimple Invest, Wealthsimple Save, Wealthsimple Trade, Wealthsimple Crypto and Wealthsimple for Work. As at December 31, 2020, Wealthsimple had over 500,000 clients, excluding tax clients, across the Canadian, United States and United Kingdom markets with assets under administration of over \$9.7 billion.

POWER SUSTAINABLE

Power Sustainable is a sustainability-led global alternative asset manager with a long-term investment approach. Power Sustainable aims to create long-term value by actively investing in entrepreneurial management teams, companies and projects with sustainable business models. Power Sustainable currently manages two main platforms: the Pacific platform which invests in the China equity markets; and the Power Sustainable Energy Infrastructure platform which invests in the development, construction and operations of renewable energy infrastructure assets in North America.

Power Sustainable also holds private equity investments in Lion Electric and Lumenpulse Group Inc. (see section entitled “Standalone businesses” below).

POWER PACIFIC

Power Pacific Investment Management Inc. (“Power Pacific” formerly known as Sagard China) invests, on behalf of its clients, in China’s public equity markets, selecting companies with sustainable business models that have significant alignment to China’s multi-decade transformation to an innovation-led economy. Power Pacific invests with a high conviction, fundamentals-based, research-driven investment process.

POWER SUSTAINABLE ENERGY INFRASTRUCTURE

Launched in January 2021, Power Sustainable Energy Infrastructure Partnership is an investment platform dedicated to the renewable energy sector. Through Potentia Renewables Inc. and Nautilus Solar Energy, LLC, two wholly owned subsidiaries of Power Sustainable and leading integrated owner-operators of high-quality renewable energy assets, the Partnership will invest in the development, construction, financing and operations of renewable energy assets across North America. The Partnership has an initial \$1 billion of committed capital, which includes a significant sponsorship commitment from Power Sustainable (as further described in the section entitled “General Development of the Business – Development of the business over the last three years – North America”). Power Sustainable is joined by a group of select founding partners led by Desjardins Group.

STANDALONE BUSINESSES

The Corporation also has interests in certain standalone businesses.

Through Sagard Holdings, the Corporation holds as at December 31, 2020: a 42.6 per cent equity interest and 50.0 per cent voting interest in Peak Achievement Athletics Inc., a company that designs and markets sports equipment and apparel for ice hockey, baseball, softball and lacrosse under iconic brands including Bauer and Easton; and a 21.2 per cent equity interest in GP Strategies Corporation, a global performance improvement company offering sales and technical training, eLearning solutions, management consulting and engineering services.

Through Power Sustainable, which actively manages standalone investments in companies that benefit from the global energy transformation, the Corporation holds as at December 31, 2020: a controlling interest of 60.5 per cent in Lumenpulse Group Inc., a designer, developer, and manufacturer of a wide range of high-performance and sustainable specification-grade LED solutions for commercial, institutional, and urban environments; and a 44.1 per cent interest in Lion Electric, an innovative manufacturer of zero-emission vehicles, that designs and manufactures all-electric school buses and midi/minibuses for special needs or urban transit as well as urban trucks. On November 30, 2020, Lion Electric announced its intention to combine with Northern Genesis, a publicly traded special purpose acquisition company, in a proposed transaction in the context of which Lion Electric is expected to be listed on the TSX and the New York Stock Exchange (as further described in the section entitled “General Development of the Business – Development of the business over the last three years – North America”).

Item 6.3 China AMC

As at December 31, 2020, the Corporation and IGM Financial each held a 13.9 per cent interest in China AMC.

Founded in 1998 as one of the first fund management companies in China, China AMC has developed and maintained its position among the market leaders in China’s asset management industry.

ITEM 7 RISK FACTORS

There are certain risks inherent in an investment in the securities of the Corporation (and its public subsidiaries, including Power Financial) and in the activities of such issuers, including the following and other risks discussed elsewhere in this Annual Information Form, which investors should carefully consider before making an investment. This description of risks applicable to the Corporation below is also applicable to Power Financial and its outstanding securities, but does not include all possible risks, and there may be other risks of which the Corporation is not currently aware.

Power 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. Its principal holding is its ownership of all of the issued and outstanding Common Shares of Power Financial and, accordingly, the indirect control of Lifeco and IGM Financial. Power also indirectly holds a 50 per cent interest in Parjointco, which itself holds an indirect interest in GBL. As a result, the Corporation bears the risks associated with being a significant shareholder of these operating companies and other investments. The risks of being an investor in Lifeco are described and referenced in the subsection entitled “Risk Factors” of Lifeco’s Annual Information Form, which subsection and further references are incorporated herein by reference; and the risks of being an investor in IGM Financial are referenced in the subsection entitled “Risk Factors” of IGM Financial’s Annual Information Form, which subsection and further references are incorporated herein by reference.

The share price of the Corporation and its subsidiaries may be volatile and subject to fluctuations in response to numerous factors beyond Power’s and such subsidiaries’ control, including as a result of the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”. There is no market over which the Corporation’s debentures may be traded, and it is very unlikely that one will develop. Consequently, debenture holders may not be able to liquidate their debentures in a timely manner, if at all. Economic conditions may adversely affect Power and its subsidiaries, including fluctuations in foreign exchange, inflation and interest rates, as well as monetary policies, business investment and the health of capital markets in Canada, the United States, Europe and Asia. At times, financial markets have experienced significant price and volume fluctuations that have affected the market prices of equity securities held by the Corporation and its subsidiaries, and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. These factors may cause decreases in asset values that are deemed to be significant or prolonged, which may result in impairment charges. In periods of increased levels of volatility and related market turmoil, Power’s subsidiaries’ operations could be adversely impacted and the trading price of Power’s securities may be adversely affected.

As a holding company, Power’s ability to meet its obligations, including payment of interest, other operating expenses and dividends, and to complete current or desirable future enhancement opportunities or acquisitions generally depends upon dividends from its principal subsidiaries and other investments, and its ability to raise additional capital. Dividends to shareholders of Power are dependent on the operating performance, profitability, financial position and creditworthiness of its subsidiaries and associates as well as on their ability to pay dividends. The payment of interest and dividends by Power’s principal subsidiaries is subject to restrictions set out in relevant corporate and insurance laws and regulations, which require that solvency and capital ratios be maintained, and may be adversely affected by the COVID-19 pandemic.

The ability of Power to arrange additional financing in the future will depend in part upon prevailing market conditions as well as the business performance of Power and its subsidiaries. Although the Corporation has been able to access capital on financial markets in the past, there can be no assurance this will be possible in the future. The inability of Power to access sufficient capital on acceptable terms could have a material adverse effect on Power’s business, prospects, dividend paying capability and financial condition, and further enhancement opportunities or acquisitions.

A holder of First Preferred Shares of the Corporation has no voting rights in the Corporation, except in limited circumstances, as may be required by law or as specifically provided in the provisions attaching to such securities.

The Corporation may choose to redeem the First Preferred Shares of the Corporation from time to time, including when prevailing interest rates are lower than yields borne by the applicable First Preferred Shares, and investors might not be able to reinvest the redemption proceeds in a comparable investment.

Information about the risks and uncertainties associated with the COVID-19 pandemic, and the Corporation's management of such risks and uncertainties, is provided in the section entitled "General Development of the Business – Development of the business over the last three years – COVID-19" of this Annual Information Form. Additional information about the risks and uncertainties of the Corporation's business is provided in the section entitled "Risk Management" in Power's MD&A, which section is incorporated herein by reference.

ITEM 8 DESCRIPTION OF THE SHARE CAPITAL

Item 8.1 Power

GENERAL

The authorized capital of Power consists of an unlimited number of First Preferred Shares, an unlimited number of Participating Preferred Shares, and an unlimited number of Subordinate Voting Shares. As at March 17, 2021, there were issued and outstanding:

Share Class	Number of Shares Issued and Outstanding
Non-Participating Shares	
First Preferred Shares	
1986 Series	109,400
Series A	6,000,000
Series B	8,000,000
Series C	6,000,000
Series D	10,000,000
Series G	8,000,000
Participating Shares	
Participating Preferred Shares	54,860,866
Subordinate Voting Shares	621,703,526

Dividends on the Subordinate Voting Shares, Participating Preferred Shares and First Preferred Shares are payable only as and when declared by the Board of Directors.

The following is a summary of the features of the Corporation's share capital. Reference should be made to the Articles of the Corporation for a complete description of all terms and conditions of its share capital. These Articles can be found on its website at www.powercorporation.com and are filed on SEDAR at www.sedar.com.

SUBORDINATE VOTING SHARES

Each Subordinate Voting Share entitles the holder to one vote at all meetings of shareholders (other than meetings exclusively of another class or series of shares) provided that holders of Subordinate Voting Shares are not entitled to vote separately as a class in the case of an amendment to the Articles of the Corporation referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the CBCA. Subject to the rights of holders of the Participating Preferred Shares and the First Preferred Shares, each Subordinate Voting Share entitles the holder to receive any dividend on such share and to participate equally with all other holders of Subordinate Voting Shares in the remaining property of the Corporation on dissolution or winding-up. Power may not, without approval of two-thirds of the holders of Subordinate Voting Shares, issue any Participating Preferred Shares unless Power contemporaneously with such issue offers to holders of Subordinate Voting Shares the right to acquire from Power *pro rata* to their holdings an aggregate number of Subordinate Voting Shares that is equal to eight and one-third times the number of Participating Preferred Shares proposed to be issued for a consideration per share that is equal to the stated capital amount per share for which the Participating Preferred Shares are to be issued. There are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights attached to the Subordinate Voting Shares.

In connection with the Reorganization, the Corporation issued an aggregate of 250,628,173 Subordinate Voting Shares to the PFC Minority Shareholders.

As at March 17, 2021, the Subordinate Voting Shares represented 53.12 per cent of the aggregate voting rights attached to Power's outstanding voting securities.

The Articles of Power do not contain any rights or provisions applicable to holders of Subordinate Voting Shares where a takeover bid is made for the Participating Preferred Shares.

PARTICIPATING PREFERRED SHARES

Each Participating Preferred Share entitles the holder to ten votes at all meetings of shareholders (other than meetings exclusively of another class or series of shares), provided that holders of Participating Preferred Shares are not entitled to vote separately as a class in the case of an amendment to the Articles of the Corporation referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the CBCA. Subject to the rights of holders of the First Preferred Shares, each Participating Preferred Share entitles the holder to receive a non-cumulative dividend of \$0.009375 per share per annum before any dividends are paid for the Subordinate Voting Shares, and the further right to participate, share and share alike, with the holders of Subordinate Voting Shares in any dividends that may be paid with respect to the Subordinate Voting Shares after payment of a dividend of \$0.009375 per share per annum on the Subordinate Voting Shares. Upon any dissolution or liquidation, in whole or in part, of Power or upon any other distribution of capital for the purpose of winding-up Power's affairs, the holders of Participating Preferred Shares, subject to the prior rights of the holders of the First Preferred Shares and by preference over the holders of the Subordinate Voting Shares or any other shares ranking junior to the Participating Preferred Shares, are entitled to receive an amount equal to \$0.421875 per share plus any declared and unpaid dividends. Power may not, without approval of two-thirds of the holders of Participating Preferred Shares, issue any Subordinate Voting Shares unless Power contemporaneously with such issue offers to the holders of Participating Preferred Shares the right to acquire from Power *pro rata* to their holdings an aggregate number of Participating Preferred Shares that is equal to 12.0 per cent of the number of Subordinate Voting Shares proposed to be issued for a consideration per share that is equal to the average stated capital amount per share for which the Subordinate Voting Shares are to be issued.

On February 12, 2020, in connection with the Reorganization, and in accordance with the Pre-Emptive Right in favour of holders of Participating Preferred Shares included in the Corporation's Articles, the Corporation issued 6,006,094 Participating Preferred Shares to holders who duly exercised the Pre-Emptive Right.

FIRST PREFERRED SHARES

The First Preferred Shares may be issued in one or more series with such rights, privileges, restrictions and conditions as the Board of Directors designates. With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Power, whether voluntary or involuntary, or any other distribution of the assets of Power among its shareholders for the purpose of winding-up its affairs, the First Preferred Shares of each series rank on a parity with the First Preferred Shares of every other series and in priority to the Participating Preferred Shares, the Subordinate Voting Shares and any other shares ranking junior to the First Preferred Shares. Holders of First Preferred Shares of any series shall not be entitled to notice of or to attend or to vote at any meeting of its shareholders except as may be required by law or as specifically provided in the provisions attaching to the First Preferred Shares of such series.

For the First Preferred Shares, Series A, Series B, Series C, Series D and Series G (for the purposes of this paragraph, the "Non-Cumulative First Preferred Shares"), in the event of the liquidation, dissolution or winding-up of Power or other distribution of the assets of Power among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, subject to the prior satisfaction of the claims of all creditors of Power and of holders of shares of Power ranking prior to the Non-Cumulative First Preferred Shares, the holders of the Non-Cumulative First Preferred Shares shall be entitled to be paid and to receive an amount equal to \$25.00 per Non-Cumulative First Preferred Share plus declared and unpaid dividends before any amount shall be paid or any assets of Power shall be distributed to the holders of Participating Preferred Shares, Subordinate Voting Shares or of shares of any other class of Power ranking junior to the Non-Cumulative First Preferred Shares.

The following table sets out, for each series of First Preferred Shares, the quarterly dividend payable to the holders of First Preferred Shares along with the current (and, if applicable, future) redemption price of each series. Each series of First Preferred Shares ranks equally with all other First Preferred Shares.

	Cumulative floating dividend	Fixed non-cumulative annual dividend (payable quarterly)	Redemption price ^[1] (plus declared and unpaid dividends)
First Preferred Shares, 1986 Series	One quarter of 70.0% of Prime ^[2] , payable quarterly	–	\$50.00 ^[3]
First Preferred Shares, Series A	–	5.60%	\$25.00
First Preferred Shares, Series B	–	5.35%	\$25.00
First Preferred Shares, Series C	–	5.80%	\$25.00
First Preferred Shares, Series D	–	5.00%	\$25.00
First Preferred Shares, Series G	–	5.60%	\$25.25 since April 15, 2020 \$25.00 on or after April 15, 2021

- [1] All series of First Preferred Shares other than the First Preferred Shares, 1986 Series may be redeemed in whole or in part.
- [2] Prime means, for any quarterly dividend period, the arithmetic average of the Prime Rates quoted by two reference banks in effect during each day during the three-month period which ends on the last day of the calendar month immediately preceding the first day of the calendar month preceding the month in which the applicable dividend payment date in respect of which the determination is being made, and “Prime Rate” is the reference rate as quoted by those two banks for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada.
- [3] Power must make all reasonable efforts to purchase for cancellation on the open market 20,000 First Preferred Shares, 1986 Series per quarter at a price not exceeding \$50.00 per share.

Item 8.2 Power Financial

Power Financial relies on certain of the continuous disclosure documents filed by Power pursuant to an exemption from the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* pursuant to Section 13.1 thereof and as provided in the decision of the Autorité des marchés financiers and the Ontario Securities Commission, dated January 19, 2021, regarding Power Financial and Power. This includes an exemption from the requirement for Power Financial to file an annual information form provided Power includes disclosure in its annual information form that would be required of Power Financial under Items 6 (Dividends and Distributions), 7 (Description of Capital Structure) and 8 (Market for Securities) of Form 51-102F2 – *Annual Information Form*.

GENERAL

The authorized capital of Power Financial consists of an unlimited number of First Preferred Shares, an unlimited number of Second Preferred Shares, an unlimited number of Third Preferred Shares, an unlimited number of Common Shares and an unlimited number of Class A Common Shares. As at March 17, 2021, there were issued and outstanding:

Share Class	Number of Shares Issued and Outstanding
First Preferred Shares	
Series A	4,000,000
Series D	6,000,000
Series E	8,000,000
Series F	6,000,000
Series H	6,000,000
Series I	8,000,000
Series K	10,000,000
Series L	8,000,000
Series O	6,000,000
Series P	9,657,516
Series Q	1,542,484
Series R	10,000,000

Share Class	Number of Shares Issued and Outstanding
Series S	12,000,000
Series T	8,000,000
Series V	10,000,000
Third Preferred Shares	250,000
Common Shares	664,096,506

There are no Class A Common Shares, First Preferred Shares, Series U or Second Preferred Shares issued and outstanding.

Dividends on the Common Shares, Class A Common Shares, First Preferred Shares, Second Preferred Shares and Third Preferred Shares are payable only as and when declared by the board of directors of Power Financial.

Following the completion of the Reorganization and as at the date hereof, Power beneficially owns all of the issued and outstanding Common Shares of Power Financial. As at December 31, 2020 and as at the date hereof, Power also beneficially owns all of the issued and outstanding Third Preferred Shares of Power Financial.

The following is a summary of the features of Power Financial's share capital. Reference should be made to the articles of Power Financial for a complete description of all terms and conditions of its share capital. These articles can be found on its website at www.powerfinancial.com and are filed on SEDAR at www.sedar.com.

POWER FINANCIAL COMMON SHARES

Each Common Share entitles the holder to one vote at all meetings of shareholders (other than meetings exclusively of another class or series of shares) provided that the holder of Common Shares is not entitled to vote separately as a class in the case of an amendment to the articles of Power Financial referred to in paragraphs (a), (b) and (e) of subsection 176(l) of the CBCA. Subject to the rights of holders of the First Preferred Shares, the Second Preferred Shares and the Third Preferred Shares, each Common Share entitles the holder to receive any dividend on such share and to participate equally with all other holders of Common Shares (if any) and all holders of Class A Common Shares (if any) in the remaining property of Power Financial on dissolution or winding-up. There are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights attaching to the Common Shares.

POWER FINANCIAL CLASS A COMMON SHARES

Each Class A Common Share entitles the holder to one vote at all meetings of shareholders (other than meetings exclusively of another class or series of shares) provided that the holder of Class A Common Shares is not entitled to vote separately as a class in the case of an amendment to the articles of Power Financial referred to in paragraphs (a), (b) and (e) of subsection 176(l) of the CBCA. Subject to the rights of holders of the First Preferred Shares, the Second Preferred Shares and the Third Preferred Shares, each Class A Common Share entitles the holder to receive any dividend on such share and to participate equally with all other holders of Class A Common Shares (if any) and all holders of Common Shares (if any) in the remaining property of Power Financial on dissolution or winding-up. Holders of Class A Common Shares have the right to convert their shares into Common Shares. There are no special liquidation rights, pre-emptive rights or subscription rights attaching to the Class A Common Shares.

POWER FINANCIAL FIRST PREFERRED SHARES

The First Preferred Shares may be issued in one or more series with such rights, privileges, restrictions and conditions as the board of directors of Power Financial designates. With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Power Financial, whether voluntary or involuntary, or any other distribution of the assets of Power Financial among its shareholders for the purpose of winding-up its affairs, the First Preferred Shares of each series rank on a parity with the First Preferred Shares of every other series and in priority to the Second Preferred Shares, the Third Preferred Shares, the Common Shares, the Class A Common Shares and any other shares ranking junior to the First Preferred Shares. Holders of First Preferred Shares of any series shall not be entitled to notice of or to attend or to vote at any meeting of shareholders except as may be required by law or as specifically provided in the provisions attaching to the First Preferred Shares of such series. Holders of First Preferred Shares are not entitled to

vote separately as a class in the case of an amendment to the articles of Power Financial referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the CBCA.

In the event of the liquidation, dissolution or winding-up of Power Financial or other distribution of the assets of Power Financial among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, subject to the prior satisfaction of the claims of all creditors of Power Financial and of holders of shares of Power Financial ranking prior to the First Preferred Shares, the holders of the First Preferred Shares shall be entitled to be paid and to receive an amount equal to \$25.00 per First Preferred Share plus declared and unpaid dividends before any amount shall be paid or any assets of Power Financial shall be distributed to the holders of Third Preferred Shares, of Common Shares, of Class A Common Shares or of shares of any other class of Power Financial ranking junior to the First Preferred Shares.

The following table sets out, for each series of First Preferred Shares, the quarterly dividend payable to the holders of First Preferred Shares along with the current (and if applicable, future) redemption price of each series. Each series of First Preferred Shares ranks equally with all other First Preferred Shares.

	Floating rate dividend	Fixed non-cumulative annual dividend (payable quarterly)	Redemption price ^[1] (plus declared and unpaid dividends)	Conversion rights
First Preferred Shares, Series A	Cumulative, one quarter of 70.0% of Prime ^[2] , payable quarterly	–	\$25.00	–
First Preferred Shares, Series D	–	5.50%	\$25.00	–
First Preferred Shares, Series E	–	5.25%	\$25.00	–
First Preferred Shares, Series F	–	5.90%	\$25.00	–
First Preferred Shares, Series H	–	5.75%	\$25.00	–
First Preferred Shares, Series I	–	6.00%	\$25.00	–
First Preferred Shares, Series K	–	4.95%	\$25.00	–
First Preferred Shares, Series L	–	5.10%	\$25.00	–
First Preferred Shares, Series O	–	5.80%	\$25.00	–
First Preferred Shares, Series P	–	1.998% ^[3]	\$25.00 on January 31, 2026 and on January 31 every five years thereafter	Holders' option to convert into Series Q shares on January 31, 2026 ^[4]
First Preferred Shares, Series Q	Non-cumulative, annual dividend, payable quarterly, equal to the product of \$25.00 and the Floating Quarterly Dividend Rate ^[5]	–	Since January 31, 2016, for the redemption prices set forth in footnote [6] below	Holders' option to convert into Series P shares on January 31, 2026 ^[4]
First Preferred Shares, Series R	–	5.50%	\$25.25 since April 30, 2020 \$25.00 on or after April 30, 2021	–
First Preferred Shares, Series S	–	4.80%	\$25.50 since April 30, 2020 \$25.25 on or after April 30, 2021 \$25.00 on or after April 30, 2022	–

	Floating rate dividend	Fixed non-cumulative annual dividend (payable quarterly)	Redemption price ^[1] (plus declared and unpaid dividends)	Conversion rights
First Preferred Shares, Series T	–	4.215% ^[3]	\$25.00 on January 31, 2024 and on January 31 every five years thereafter	Holders' option to convert into Series U shares on January 31, 2024 ^[4]
First Preferred Shares, Series U	Non-cumulative, annual dividend, payable quarterly, equal to the product of \$25.00 and the Floating Quarterly Dividend Rate ^[5]	–	Commencing on January 31, 2024, for the redemption prices set forth in footnote [6] below	Holders' option to convert into Series T shares on January 31, 2029 ^[4]
First Preferred Shares, Series V	–	5.15%	\$26.00 on or after July 31, 2022 \$25.75 on or after July 31, 2023 \$25.50 on or after July 31, 2024 \$25.25 on or after July 31, 2025 \$25.00 on or after July 31, 2026	

- [1] All series of First Preferred Shares may be redeemed in whole or in part.
- [2] Prime means, for any quarterly dividend period, the arithmetic average of the Prime Rates quoted by two reference banks in effect during each day during the three-month period which ends on the last day of the calendar month immediately preceding the first day of the calendar month preceding the month in which the applicable dividend payment date in respect of which the determination is being made, and "Prime Rate" is the reference rate as quoted by those two banks for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada.
- [3] For the period from (i) January 31, 2021 up to but excluding January 31, 2026 for the First Preferred Shares, Series P, or (ii) January 31, 2019 up to but excluding January 31, 2024 for the First Preferred Shares, Series T. Thereafter, during the "Subsequent Fixed Rate Periods" (that is, for the period from and including (i) January 31, 2026 up to but excluding January 31, 2031 for the First Preferred Shares, Series P, or (ii) January 31, 2024 up to but excluding January 31, 2029 for the First Preferred Shares, Series T, and, in each case, for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period to but excluding January 31 in the fifth year thereafter), the fixed non-cumulative preferential dividends is equal to a product of \$25.00 and the rate of interest equal to the sum of the Government of Canada Yield on the applicable "Fixed Rate Calculation Date" (that is, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of the applicable Subsequent Fixed Rate Period) plus: (i) 1.60 per cent for the First Preferred Shares, Series P, or (ii) 2.37 per cent for the First Preferred Shares, Series T, payable quarterly.
- [4] And on January 31 every five years thereafter, in each case, subject to the Corporation's right to redeem all the shares of such First Preferred Shares Series and to other conditions.
- [5] The Floating Quarterly Dividend Rate means, for any "Quarterly Floating Rate Period" (that is, the period from and including: (i) January 31, 2021 to but excluding April 30, 2021 for First Preferred Shares, Series Q, or (ii) the period from and including January 31, 2024 to but excluding April 30, 2024 for First Preferred Shares, Series U, and, in each case, thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding "Quarterly Commencement Date" (that is the last day of January, April, July and October in each year)), the rate of interest equal to the sum of the T-Bill Rate on the applicable "Floating Rate Calculation Date" (that is, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period) plus: (i) 1.60 per cent in the case of First Preferred Shares, Series Q, and (ii) 2.37 per cent in the case of First Preferred Shares, Series U.
- [6] For (A) \$25.00 per share plus declared and unpaid dividends to the date fixed for redemption for redemptions on: (i) January 31, 2026 for First Preferred Shares, Series Q, or on (ii) January 31, 2029 for First Preferred Shares, Series U, and on January 31 every five years thereafter or (B) for \$25.50 together with all declared and unpaid dividends to the date fixed for redemption in the case of redemptions on any other date after: (i) January 31, 2016 for First Preferred Shares, Series Q, or (ii) January 31, 2024 for First Preferred shares, Series U, that is not a date on which such First Preferred Shares Series can be converted.

POWER FINANCIAL SECOND PREFERRED SHARES

The Second Preferred Shares may be issued in one or more series with such rights, privileges, restrictions and conditions as the board of directors of Power Financial designates. With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Power Financial, whether voluntary or involuntary, or any other distribution of the assets of Power Financial among its shareholders for the purpose of winding-up its affairs, the Second Preferred Shares of each series rank on a parity with the Second Preferred Shares of every other series and in priority

to the Third Preferred Shares, the Common Shares, the Class A Common Shares and any other shares ranking junior to the Second Preferred Shares. The holders of Second Preferred Shares of any series are not entitled to notice of or to attend or to vote at any meeting of Power Financial or of its shareholders except as may be required by law or as specifically provided in the provisions attaching to the Second Preferred Shares of such series. There are no Second Preferred Shares issued and outstanding.

POWER FINANCIAL THIRD PREFERRED SHARES

With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Power Financial, whether voluntary or involuntary, or any other distribution of the assets of Power Financial among its shareholders for the purpose of winding-up its affairs, the Third Preferred Shares rank in priority to the Common Shares and the Class A Common Shares and any other shares ranking junior to the Third Preferred Shares. The holders of Third Preferred Shares are not entitled to notice of or to attend or to vote at any meeting of Power Financial or of its shareholders except as may be required by law. Holders of Third Preferred Shares are not entitled to vote separately as a class in the case of an amendment to the articles of Power Financial referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the CBCA.

The Third Preferred Shares have a fixed, non-cumulative cash dividend of \$0.03 per share in each financial year if, as and when declared by the board of directors of Power Financial. Power Financial has the right to redeem, and holders of Third Preferred Shares have the right to require Power Financial to redeem, the Third Preferred Shares, in whole or in part, for \$1.00 cash per share, plus declared and unpaid dividends.

ITEM 9 RATINGS

The table below provides the ratings assigned to the Corporation and Power Financial and their outstanding securities as at March 23, 2021.

	DBRS Limited ("DBRS")	Standard & Poor's Ratings Services ("S&P")
POWER:		
Issuer rating	A	A+
8.57% debentures due April 22, 2039	A	A+
4.81% debentures due January 31, 2047	A	A+
4.455% debentures due July 27, 2048	A	A+
Preferred shares:		
Cumulative	Pfd-2	Canadian scale P-1 (Low) Global scale A-
Non-cumulative	Pfd-2	Canadian scale P-1 (Low) Global scale A-
POWER FINANCIAL:		
Issuer rating	A (high)	A+
6.9% debentures due March 11, 2033	A (high)	A+
Preferred shares:		
Cumulative	Pfd-2 (high)	Canadian scale P-1 (Low) Global scale A-
Non-cumulative	Pfd-2 (high)	Canadian scale P-1 (Low) Global scale A-

The ratings of each of the Corporation and Power Financial and their respective outstanding securities have been assigned a stable trend by DBRS and a stable outlook by S&P.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue or issuer of securities and are indicators of the likelihood of payment and the capacity of an entity 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 securities 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 Corporation and Power Financial have each paid customary rating fees to S&P and DBRS in connection with the above-mentioned ratings.

DBRS LIMITED

In general terms, DBRS ratings are opinions that reflect the creditworthiness of an issuer, a security or an obligation.

DBRS corporate rating analysis begins with an evaluation of the fundamental creditworthiness of the issuer, which is reflected in an issuer rating. Issuer ratings address the overall credit strength of the issuer and, unlike ratings on individual securities or classes of securities, are based on the entity itself, without consideration for security or ranking. Ratings that apply to actual securities may be higher, lower or equal to the issuer rating for a given entity.

DBRS' securities ratings are opinions based on forward-looking measurements that assess an issuer's ability and willingness to make timely payments on outstanding obligations (whether principal, interest, dividend, or distributions) with respect to the terms of an obligation.

The DBRS long-term obligation rating scale provides an opinion on the risk of default, which is the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. Ratings are based on quantitative and qualitative considerations relevant to the issuer, and the relative ranking of claims.

The DBRS preferred share rating scale is used in the Canadian securities market and is meant to give an indication of the risk that a borrower will not fulfill its full obligations in a timely manner, with respect to both dividend and principal commitments. Every DBRS rating is based on quantitative and qualitative considerations relevant to the borrowing entity.

Most rating categories are denoted by the subcategories “high” and “low”. The absence of either a “high” or “low” designation indicates the rating is in the middle of the category. Rating trends provide guidance in respect of DBRS’ opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories - “Positive”, “Stable” or “Negative”. The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the issuing entity itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates.

DBRS typically assigns issuer ratings on a long-term basis using its long-term obligation rating scale. The Corporation’s DBRS issuer rating is A. The Corporation’s debentures rating of A is the sixth highest of twenty-six ratings used by DBRS for long-term debt. Power Financial’s DBRS issuer rating is A (high). Power Financial’s debentures rating of A (high) is the fifth highest of twenty-six ratings used by DBRS for long-term debt. Long-term debt rated “A” by DBRS is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than that of “AA” rated entities. Entities in this category may be vulnerable to future events, but qualifying negative factors are considered manageable.

The Corporation’s preferred shares rating of Pfd-2 is the fifth highest of sixteen ratings used by DBRS for preferred shares in Canada. Power Financial’s preferred shares rating of Pfd-2 (high) is the fourth highest of sixteen ratings used by DBRS for preferred shares in Canada. Preferred shares with a Pfd-2(high) or Pfd-2 rating are of good credit quality, and protection of dividends and principal is still substantial, but earnings, the balance sheet and coverage ratios are not as strong as Pfd-1 rated companies. Generally, a Pfd-2 rating corresponds with companies whose senior bonds are rated in the “A” category.

STANDARD & POOR’S RATINGS SERVICES

An S&P issuer credit rating is a current opinion of an obligor’s overall financial capacity (creditworthiness) to pay its financial obligations and focuses on the obligor’s capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation.

In contrast, an issue rating relates to a specific financial obligation, a specific class of financial obligations, or a specific financial program. The rating on a specific issue may reflect positive or negative adjustments relative to the issuer’s rating for (i) the presence of collateral, (ii) explicit subordination, or (iii) any other factors that affect the payment priority, expected recovery, or credit stability of the specific issue.

Since there are future events and developments that cannot be foreseen, the assignment of credit ratings is not an exact science and, for this reason, S&P ratings opinions are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular security issue will default. Instead, ratings express relative opinions about the creditworthiness of an issuer or credit quality of an individual issue, from strongest to weakest, within a universe of credit risk.

Most ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major letter rating categories. An S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future credit watch action.

An S&P issuer rating usually refers to the issuer’s ability and willingness to meet senior, unsecured obligations. Each of the Corporation’s and Power Financial’s S&P issuer rating is A+. The Corporation’s and Power Financial’s debentures’ rating of A+ is the fifth highest of twenty-two ratings used by S&P in its long-term issue credit rating scale. 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 S&P Canadian preferred share rating scale serves issuers, investors and intermediaries in the Canadian financial markets by expressing preferred share ratings (determined in accordance with global rating criteria) in terms of rating symbols that have been actively used in the Canadian market over a number of years. An S&P preferred share rating on the Canadian scale is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific preferred share obligation issued in the Canadian market, relative to preferred shares issued by other issuers in the Canadian market. There is a direct correspondence between the specific ratings assigned on the Canadian preferred share scale and the various rating levels on the global debt rating scale of S&P. The Canadian scale rating is fully determined by the applicable global scale rating, and there are no additional analytical criteria associated with the determination of ratings on the Canadian scale. It is the practice of S&P to present an issuer's preferred share ratings on both the global rating scale and on the Canadian national scale when listing the ratings for a particular issuer.

The Corporation's and Power Financial's preferred shares' rating of P-1 (Low) on S&P's Canadian national preferred share rating scale corresponds to A- on S&P's Global preferred share rating scale. A P-1 (Low) rating is the third highest of eighteen ratings used by S&P in its Canadian national preferred share rating scale. Correspondingly, an A- rating is the fifth highest of twenty ratings used by S&P in its Global preferred share rating scale. A preferred share 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 commitments on the obligation is still strong.

ITEM 10 DIVIDENDS

Item 10.1 Power

The cash dividends declared per share over the last three years for each class of the Corporation's shares outstanding as at December 31, 2020 were as follows:

(in dollars)	2020	2019	2018
Subordinate Voting Shares (POW)	1.7900	2.0020	1.5045
Participating Preferred Shares (POW.PR.E)	1.7900	2.0020	1.5045
First Preferred Shares, Series A (POW.PR.A)	1.4000	1.4000	1.4000
First Preferred Shares, Series B (POW.PR.B)	1.3375	1.3375	1.3375
First Preferred Shares, Series C (POW.PR.C)	1.4500	1.4500	1.4500
First Preferred Shares, Series D (POW.PR.D)	1.2500	1.2500	1.2500
First Preferred Shares, 1986 Series (POW.PR.F)	1.0124	1.3824	1.2390
First Preferred Shares, Series G (POW.PR.G)	1.4000	1.4000	1.4000

The current practice of the Corporation is to pay dividends to the holders of Participating Preferred Shares and Subordinate Voting Shares on a quarterly basis. All future dividend amounts and dates are subject to approval by the Board of Directors.

The table below describes the increases in the Corporation's Subordinate Voting Shares quarterly dividends over the last three years, starting with the quarterly dividend payable on June 29, 2018.

Date of Announcement	Amount of the quarterly increase	Effective Date
May 11, 2018	6.6 per cent (from \$0.3585 per share to \$0.3820 per share)	June 29, 2018
May 14, 2019	6.0 per cent (from \$0.3820 per share to \$0.4050 per share)	June 28, 2019
March 18, 2020	10.5 per cent (from \$0.4050 per share to \$0.4475 per share)	May 1, 2020

Item 10.2 Power Financial

The cash dividends declared per share over the last three years for each class of Power Financial's shares outstanding as at December 31, 2020 were as follows:

(in dollars)	2020	2019	2018
Common Shares (PWF) ^[1]	1.9997	1.8220	1.7320
First Preferred Shares, Series A (PWF.PR.A)	0.483877	0.691252	0.630127
First Preferred Shares, Series D (PWF.PR.E)	1.3750	1.3750	1.3750
First Preferred Shares, Series E (PWF.PR.F)	1.3125	1.3125	1.3125
First Preferred Shares, Series F (PWF.PR.G)	1.4750	1.4750	1.4750
First Preferred Shares, Series H (PWF.PR.H)	1.4375	1.4375	1.4375
First Preferred Shares, Series I (PWF.PR.I)	1.5000	1.5000	1.5000
First Preferred Shares, Series K (PWF.PR.K)	1.2375	1.2375	1.2375
First Preferred Shares, Series L (PWF.PR.L)	1.2750	1.2750	1.2750
First Preferred Shares, Series O (PWF.PR.O)	1.4500	1.4500	1.4500
First Preferred Shares, Series P (PWF.PR.P)	0.5765	0.5765	0.5765
First Preferred Shares, Series Q (PWF.PR.Q)	0.540274	0.812460	0.70913
First Preferred Shares, Series R (PWF.PR.R)	1.3750	1.3750	1.3750
First Preferred Shares, Series S (PWF.PR.S)	1.2000	1.2000	1.2000
First Preferred Shares, Series T (PWF.PR.T)	1.053752	1.053752	1.0500
First Preferred Shares, Series V (PWF.PR.Z)	1.2875	1.2875	1.2875
Third Preferred Shares	N/A	N/A	N/A

[1] Following the completion of the Reorganization, the Common Shares of Power Financial were delisted from the TSX effective as of the close of trading on February 18, 2020.

The current practice of Power Financial is to pay dividends to the holder of Common Shares on a quarterly basis. All future dividend amounts and dates are subject to approval by the board of directors of Power Financial.

As at the date hereof, Power beneficially owns all of the issued and outstanding Common Shares and Third Preferred Shares of Power Financial.

ITEM 11 MARKET FOR SECURITIES

Item 11.1 Power

The following table provides information regarding the price range and volume traded for each of these classes of securities of Power on the TSX on a monthly basis for each month of the year ended December 31, 2020.

	Subordinate Voting Shares (POW)	Participating Preferred Shares (POW.PR.E)	First Preferred Shares, Series A (POW.PR.A)	First Preferred Shares, Series B (POW.PR.B)	First Preferred Shares, Series C (POW.PR.C)	First Preferred Shares, Series D (POW.PR.D)	First Preferred Shares, 1986 Series (POW.PR.F)	First Preferred Shares, Series G (POW.PR.G)
January 2020								
Intraday High (\$)	34.23	34.75	25.44	25.00	25.90	23.70	-	25.48
Intraday Low (\$)	32.74	33.25	25.22	24.62	25.52	23.24	-	25.16
Volume	28,523,146	3,345	86,999	51,249	47,908	39,247	-	46,740
February 2020								
Intraday High (\$)	35.13	34.40	25.70	25.19	25.96	24.00	47.86	25.65
Intraday Low (\$)	29.33	32.80	24.67	24.25	25.01	22.78	45.60	25.02
Volume	57,363,971	850	67,039	59,089	66,364	65,424	1,683	62,740
March 2020								
Intraday High (\$)	30.47	32.15	25.37	25.29	25.63	23.75	45.31	25.22
Intraday Low (\$)	17.47	32.15	16.94	15.57	17.82	15.01	43.80	16.98
Volume	92,923,225	100	158,851	114,401	177,122	197,008	400	198,082
April 2020								
Intraday High (\$)	23.34	-	23.82	22.83	24.48	21.49	45.00	23.68
Intraday Low (\$)	19.65	-	20.00	19.20	20.60	18.32	44.75	19.56
Volume	49,903,842	-	88,038	106,246	97,819	234,037	300	174,962
May 2020								
Intraday High (\$)	23.27	31.90	24.30	22.75	24.49	22.47	44.90	23.85
Intraday Low (\$)	18.79	30.00	23.02	21.48	23.55	20.65	44.90	22.98
Volume	35,180,382	400	56,136	67,247	51,945	98,297	100	75,939
June 2020								
Intraday High (\$)	26.47	31.90	25.11	23.65	25.19	22.54	45.24	24.65
Intraday Low (\$)	22.41	30.90	24.05	22.71	24.30	21.69	44.20	23.52
Volume	68,579,755	840	46,937	116,024	85,273	125,320	1,292	89,970
July 2020								
Intraday High (\$)	24.91	30.80	24.80	23.74	24.94	22.26	45.50	24.50
Intraday Low (\$)	23.02	30.80	24.02	22.62	24.10	21.62	44.50	23.75
Volume	34,825,307	100	46,090	95,980	98,728	63,520	550	110,114
August 2020								
Intraday High (\$)	27.50	-	25.69	25.14	25.85	24.18	45.50	25.45
Intraday Low (\$)	23.80	-	24.52	23.53	24.86	22.06	44.40	24.57
Volume	27,234,799	-	45,365	90,878	122,725	65,679	959	54,878
September 2020								
Intraday High (\$)	27.54	31.50	25.53	25.32	25.59	24.48	44.40	25.66
Intraday Low (\$)	25.13	31.50	24.89	24.50	25.06	23.95	43.50	25.00
Volume	51,367,690	200	56,966	133,891	108,038	189,540	1,166	72,898

	Subordinate Voting Shares (POW)	Participating Preferred Shares (POW.PR.E)	First Preferred Shares, Series A (POW.PR.A)	First Preferred Shares, Series B (POW.PR.B)	First Preferred Shares, Series C (POW.PR.C)	First Preferred Shares, Series D (POW.PR.D)	First Preferred Shares, 1986 Series (POW.PR.F)	First Preferred Shares, Series G (POW.PR.G)
October 2020								
Intraday High (\$)	27.19	32.25	25.90	25.74	25.84	25.10	45.45	25.67
Intraday Low (\$)	24.95	32.25	25.14	24.92	25.25	24.20	43.01	25.20
Volume	43,536,157	1,000	72,620	84,391	111,842	219,530	900	72,402
November 2020								
Intraday High (\$)	30.34	-	25.46	25.48	25.74	25.21	43.10	25.50
Intraday Low (\$)	25.51	-	25.20	24.92	25.39	24.42	43.10	25.22
Volume	34,604,206	-	36,499	34,598	42,376	156,978	100	45,209
December 2020								
Intraday High (\$)	30.17	35.00	25.59	25.54	25.70	25.27	46.90	25.60
Intraday Low (\$)	28.40	31.65	25.10	24.95	25.28	24.62	45.54	25.04
Volume	59,479,380	2,550	53,488	49,900	74,496	63,362	500	46,811

Item 11.2 Power Financial

The following table provides information regarding the price range and volume traded for each of these classes of securities of Power Financial on the TSX on a monthly basis for each month of the year ended December 31, 2020. Currently there are no outstanding First Preferred Shares, Series U.

	Common Shares (PWF) ⁽¹⁾	First Preferred Shares, Series A (PWF.PR.A)	First Preferred Shares, Series D (PWF.PR.E)	First Preferred Shares, Series E (PWF.PR.F)	First Preferred Shares, Series F (PWF.PR.G)	First Preferred Shares, Series H (PWF.PR.H)	First Preferred Shares, Series I (PWF.PR.I)	First Preferred Shares, Series K (PWF.PR.K)
January 2020								
Intraday High (\$)	35.62	13.15	25.22	24.78	25.57	25.84	25.51	23.51
Intraday Low (\$)	33.93	12.23	24.91	24.10	25.08	25.43	25.05	23.15
Volume	15,791,620	71,927	72,866	75,018	133,546	59,430	501,195	57,076
February 2020								
Intraday High (\$)	36.89	12.59	25.28	24.72	25.56	25.69	25.30	23.55
Intraday Low (\$)	34.12	11.26	24.90	24.21	25.15	25.40	25.11	22.83
Volume	18,271,030	68,168	57,566	94,423	260,118	37,718	219,030	294,730
March 2020								
Intraday High (\$)	-	12.10	25.04	24.68	25.44	25.52	25.25	23.01
Intraday Low (\$)	-	6.80	16.60	16.13	18.03	17.30	19.69	15.07
Volume	-	113,991	225,385	126,891	270,929	102,541	372,357	486,576
April 2020								
Intraday High (\$)	-	9.55	23.24	22.10	24.78	24.00	24.90	20.62
Intraday Low (\$)	-	8.13	20.01	18.90	21.47	20.75	21.98	17.83
Volume	-	155,728	64,666	125,334	178,419	56,962	252,751	128,923
May 2020								
Intraday High (\$)	-	9.75	23.15	22.22	24.68	23.88	24.90	21.13
Intraday Low (\$)	-	8.88	22.39	21.45	23.75	23.50	24.34	20.22
Volume	-	34,424	53,444	41,366	64,877	41,964	95,759	167,402

	Common Shares (PWF) ^[1]	First Preferred Shares, Series A (PWF.PR.A)	First Preferred Shares, Series D (PWF.PR.E)	First Preferred Shares, Series E (PWF.PR.F)	First Preferred Shares, Series F (PWF.PR.G)	First Preferred Shares, Series H (PWF.PR.H)	First Preferred Shares, Series I (PWF.PR.I)	First Preferred Shares, Series K (PWF.PR.K)
June 2020								
Intraday High (\$)	-	9.77	23.92	23.22	24.97	24.65	25.15	22.03
Intraday Low (\$)	-	8.89	23.17	22.01	24.35	23.80	24.46	21.00
Volume	-	41,560	61,132	62,991	91,759	54,444	233,905	200,054
July 2020								
Intraday High (\$)	-	10.75	24.00	22.98	25.10	24.64	25.15	21.79
Intraday Low (\$)	-	8.60	23.15	22.14	24.61	24.06	24.75	21.02
Volume	-	72,553	57,763	334,246	92,246	44,042	110,995	73,452
August 2020								
Intraday High (\$)	-	10.05	25.24	24.50	25.28	25.29	25.33	23.21
Intraday Low (\$)	-	9.22	23.68	22.71	25.00	24.64	25.01	21.49
Volume	-	61,037	54,463	152,206	34,563	90,429	182,963	131,659
September 2020								
Intraday High (\$)	-	10.49	25.28	25.38	25.48	25.60	25.55	24.17
Intraday Low (\$)	-	9.32	24.93	24.32	25.17	25.10	25.25	23.19
Volume	-	47,649	128,182	150,900	94,245	42,503	147,067	141,725
October 2020								
Intraday High (\$)	-	10.43	25.48	25.46	25.74	25.67	25.70	24.55
Intraday Low (\$)	-	9.66	24.88	24.76	25.25	25.21	25.22	24.07
Volume	-	39,294	93,451	128,395	89,272	134,538	196,666	178,811
November 2020								
Intraday High (\$)	-	10.36	25.46	25.38	25.89	25.59	25.64	24.69
Intraday Low (\$)	-	9.80	25.04	24.91	25.30	25.25	25.28	24.07
Volume	-	78,235	57,597	61,165	116,555	35,110	89,960	128,284
December 2020								
Intraday High (\$)	-	11.65	25.57	25.38	25.60	25.62	25.77	25.01
Intraday Low (\$)	-	10.15	25.28	25.10	25.33	25.33	25.51	24.48
Volume	-	81,659	28,019	136,147	37,840	35,038	81,710	74,433

[1] Following the completion of the Reorganization, the Common Shares of Power Financial were delisted from the TSX effective as of the close of trading on February 18, 2020.

	First Preferred Shares, Series L (PWF.PR.L)	First Preferred Shares, Series O (PWF.PR.O)	First Preferred Shares, Series P (PWF.PR.P)	First Preferred Shares, Series Q (PWF.PR.Q)	First Preferred Shares, Series R (PWF.PR.R)	First Preferred Shares, Series S (PWF.PR.S)	First Preferred Shares, Series T (PWF.PR.T)	First Preferred Shares, Series V (PWF.PR.Z)
January 2020								
Intraday High (\$)	24.07	25.82	13.95	14.00	25.31	23.00	18.54	24.30
Intraday Low (\$)	23.51	25.50	13.22	13.72	24.92	22.56	17.98	23.86
Volume	304,503	65,335	145,228	96,600	101,013	666,980	170,268	62,782
February 2020								
Intraday High (\$)	24.14	25.70	13.78	13.85	25.50	23.07	18.29	24.47
Intraday Low (\$)	23.37	25.40	12.39	12.50	25.05	22.23	17.47	23.64
Volume	89,228	34,287	158,396	39,000	63,960	64,876	77,002	58,352

	First Preferred Shares, Series L (PWF.PR.L)	First Preferred Shares, Series O (PWF.PR.O)	First Preferred Shares, Series P (PWF.PR.P)	First Preferred Shares, Series Q (PWF.PR.Q)	First Preferred Shares, Series R (PWF.PR.R)	First Preferred Shares, Series S (PWF.PR.S)	First Preferred Shares, Series T (PWF.PR.T)	First Preferred Shares, Series V (PWF.PR.Z)
March 2020								
Intraday High (\$)	23.85	25.49	12.64	12.50	25.33	22.70	17.74	24.16
Intraday Low (\$)	15.60	17.55	7.20	7.01	16.48	14.67	10.55	16.11
Volume	276,816	112,762	333,379	90,323	174,977	209,564	114,453	153,010
April 2020								
Intraday High (\$)	21.58	24.15	10.68	10.30	23.15	20.29	13.95	21.87
Intraday Low (\$)	18.40	20.76	8.33	8.55	19.96	16.60	12.03	19.15
Volume	313,114	128,143	194,454	75,658	187,305	160,798	296,773	262,373
May 2020								
Intraday High (\$)	21.60	24.14	10.32	9.99	23.47	20.69	14.50	22.02
Intraday Low (\$)	20.92	23.51	8.95	9.00	22.50	19.70	13.29	21.13
Volume	60,434	31,151	125,302	80,425	91,991	177,272	213,930	82,790
June 2020								
Intraday High (\$)	22.66	24.75	10.28	9.95	24.11	21.49	15.75	22.73
Intraday Low (\$)	21.45	24.07	9.22	8.99	23.40	20.75	14.15	21.91
Volume	117,473	42,750	175,952	22,577	209,365	70,574	168,659	243,557
July 2020								
Intraday High (\$)	22.39	24.80	10.95	10.20	24.25	21.30	16.50	23.00
Intraday Low (\$)	21.78	24.35	8.45	8.33	23.45	20.90	14.40	22.29
Volume	407,044	48,468	133,255	53,651	70,504	74,690	283,993	213,006
August 2020								
Intraday High (\$)	23.86	25.39	10.78	10.05	25.30	22.47	16.99	24.35
Intraday Low (\$)	22.00	24.78	9.78	9.05	24.20	20.83	15.80	22.88
Volume	68,835	29,040	80,271	75,100	56,489	90,861	42,701	67,927
September 2020								
Intraday High (\$)	24.88	25.57	11.24	10.84	25.61	23.67	17.07	25.02
Intraday Low (\$)	23.76	25.22	10.13	9.70	24.96	22.30	16.13	24.01
Volume	158,441	27,503	54,459	56,213	64,594	228,607	164,218	139,958
October 2020								
Intraday High (\$)	25.21	25.58	10.65	10.05	25.60	24.26	17.39	25.48
Intraday Low (\$)	24.60	25.20	10.13	9.85	25.14	23.35	16.45	24.96
Volume	96,600	349,809	706,940	19,900	107,854	129,199	56,450	265,582
November 2020								
Intraday High (\$)	25.10	25.51	11.70	11.47	25.40	24.80	17.92	25.37
Intraday Low (\$)	24.73	25.30	10.41	10.00	25.06	23.39	16.87	24.94
Volume	64,923	71,580	93,642	18,830	46,125	85,611	48,000	155,708
December 2020								
Intraday High (\$)	25.25	25.60	12.08	11.75	25.48	24.78	18.96	25.73
Intraday Low (\$)	24.86	25.45	11.38	10.84	25.25	24.04	17.66	25.22
Volume	76,486	267,109	448,977	43,480	120,454	64,521	161,499	53,614

ITEM 12 DIRECTORS AND OFFICERS

Item 12.1 Directors

The following table sets forth the full name, province or state and country of residence, current principal occupation and, if applicable, previous occupation in the last five years for each current Director of the Corporation.

Name and Province/State and Country of Residence	Director since	Current Principal Occupation	Previously held position(s) (in the past five years)	Committee Membership ^[1]
Pierre Beaudoin Québec, Canada	May 2005	Chairman of Bombardier Inc., a world leading manufacturer of business jets since July 2017	Executive Chairman of Bombardier Inc.	RP&CR
Marcel R. Coutu Alberta, Canada	May 2011	Company Director	n/a	AUDIT, HR
André Desmarais Québec, Canada	May 1988	Deputy Chairman of the Corporation	President and Co-Chief Executive Officer of the Corporation and Executive Co-Chairman of Power Financial ^[2]	G&N
Paul Desmarais, Jr. Québec, Canada	May 1988	Chairman of the Corporation	Co-Chief Executive Officer of the Corporation and Executive Co-Chairman of Power Financial ^[2]	G&N (Chair)
Gary A. Doer Manitoba, Canada	May 2016	Senior Business Advisor at Dentons Canada LLP since August 2016	Canada's Ambassador to the United States	AUDIT
Anthony R. Graham ^[3] Ontario, Canada	May 2001	Chairman and Chief Executive Officer of Summaria Inc., an investment management company	Vice-Chairman of Wittington Investments, Limited, the principal holding company of the Weston-Loblaw Group	HR (Chair), G&N
J. David A. Jackson Ontario, Canada	May 2013	Senior Counsel at Blake, Cassels & Graydon LLP	n/a	AUDIT
Paula B. Madoff New York, United States of America	May 2020	Company Director and Advisory Director to Goldman Sachs since August 2017	Partner and Head of Sales and Distribution for Interest Rate Products and Mortgages at Goldman Sachs	RP&CR (Chair)
Isabelle Marcoux Québec, Canada	May 2010	Chair of the board of Transcontinental Inc., a leader in flexible packaging in North America and Canada's largest printer and a leader in school textbook publishing	n/a	HR, G&N
Christian Noyer Paris, France	May 2016	Company Director since May 2016	n/a	G&N, RP&CR
R. Jeffrey Orr Québec, Canada	May 2005	President and Chief Executive Officer of the Corporation ^[2]	n/a	
T. Timothy Ryan, Jr. Florida, United States of America	May 2014 ^[4]	Company Director	n/a	AUDIT
Siim A. Vanaselja Ontario, Canada	May 2020	Company Director	n/a	AUDIT (Chair)

[1] Committee Membership acronyms: AUDIT = Audit Committee; HR = Human Resources Committee; G&N = Governance and Nominating Committee; RP&CR = Related Party and Conduct Review Committee.

[2] As part of the Reorganization, Messrs. Paul Desmarais, Jr. and André Desmarais retired as Co-Chief Executive Officers of the Corporation on February 13, 2020 and as Executive Co-Chairmen of Power Financial on March 18, 2020. They continue to serve as Chairman and Deputy Chairman, respectively, of the board of directors of the Corporation and of Power Financial. Mr. R. Jeffrey Orr, President and Chief Executive Officer of Power Financial, became President and Chief Executive Officer of the Corporation on February 13, 2020.

[3] Mr. Graham was also appointed Lead Director of the Corporation on March 23, 2018.

[4] Mr. Ryan also served as a Director of the Corporation from May 2011 to May 2013.

All Directors listed above were elected as Directors at the Annual Meeting of Shareholders held on May 15, 2020, to hold office until the close of the next annual meeting of shareholders.

Item 12.2 Executive and other officers

The following table sets forth the full name, province or state and country of residence, current principal occupation and, if applicable, previous occupation in the last five years for each current executive and other officers of the Corporation.

Name and Province/State and Country of Residence	Current Principal Occupation	Previously held position(s) (in the past five years)
R. Jeffrey Orr Québec, Canada	President and Chief Executive Officer of the Corporation ^[1]	n/a
Jocelyn Lefebvre London, United Kingdom	Vice-Chairman, Europe of the Corporation since May 2020 and Founding Partner of Sagard Private Equity Europe since October 2001	Vice-Chairman of Pargesa Holding
Michel Plessis-Bélair Québec, Canada	Vice-Chairman of the Corporation	Vice-Chairman of Power Financial until March 2020 ^[2]
Amaury de Seze Brussels, Belgium	Vice-Chairman of the Corporation since May 2020	Vice-Chairman of Power Financial until March 2020 ^[2]
Gregory D. Tretiak Québec, Canada	Executive Vice-President and Chief Financial Officer of the Corporation	n/a
Claude Généreux Québec, Canada	Executive Vice-President of the Corporation	Executive Vice-President of Power Financial until March 2020 ^[2]
Olivier Desmarais Québec, Canada	Senior Vice-President of the Corporation since January 2017 and Chairman and Chief Executive Officer of Power Sustainable since December 2018 and May 2019, respectively	Senior Vice-President of Power Financial from January 2017 to March 2020 ^[2] ; previously, Vice-President of the Corporation and of Power Financial
Paul Desmarais III ^[3] Québec, Canada	Chairman and Chief Executive Officer of Sagard Holdings since July 2018 and Senior Vice-President of the Corporation since January 2017	Senior Vice-President of Power Financial from January 2017 to March 2020 ^[2] ; previously, Vice-President of the Corporation and of Power Financial
Paul C. Genest Ontario, Canada	Senior Vice-President of the Corporation since September 2016	Senior Vice-President of Power Financial from September 2016 to March 2020 ^[2] ; previously, fellow at the Brookfield Institute for Innovation and Entrepreneurship, Ryerson University
Arnaud Bellens Québec, Canada	Vice-President of the Corporation since September 2016 and Partner, President and Chief Financial Officer of Power Sustainable since June 2020 and May 2019, respectively	Vice-President, Finances at La Presse, Ltée
Hugo Breton Québec, Canada	Vice-President of the Corporation since January 2020	Vice-President of Power Financial from January 2020 to March 2020 ^[2] ; previously, Director, Strategy at the Corporation and Power Financial
Mei Dong Ontario, Canada	Vice-President of the Corporation since January 2020	Vice-President of Power Financial from January 2020 to March 2020 ^[2] ; previously, Associate Partner at McKinsey & Company
Stéphane Lemay Québec, Canada	Vice-President, General Counsel and Secretary of the Corporation	n/a
Denis Le Vasseur Québec, Canada	Vice-President and Controller of the Corporation	n/a
Yuhong Liu (Henry) Québec, Canada	Vice-President of the Corporation	n/a

Name and Province/State and Country of Residence	Current Principal Occupation	Previously held position(s) (in the past five years)
Eoin Ó hÓgáin Québec, Canada	Vice-President of the Corporation since September 2016 and Partner, Head of Pacific, of Power Sustainable since June 2020	Vice-President of Power Financial from September 2016 to March 2020 ^[2] ; previously, Vice-President, Fundamental Equities Investing at State Street Global Advisors
Richard Pan Québec, Canada	Vice-President and Head of Corporate Finance of the Corporation	Vice-President of Power Financial until March 2020 ^[2]
Pierre Piché Québec, Canada	Vice-President of the Corporation since May 2017	Vice-President of Power Financial from May 2017 to March 2020 ^[2] ; previously, Senior Advisor of the Corporation and of Power Financial
Luc Reny Québec, Canada	Vice-President of the Corporation	Vice-President of Power Financial until March 2020 ^[2]
Samuel Robinson ^[3] Pennsylvania, United States of America	Managing Partner and President of Sagard Holdings since January 2016 and May 2017, respectively, and Vice-President of the Corporation since March 2016	n/a
Adam Vigna Ontario, Canada	Managing Partner and Chief Investment Officer of Sagard Holdings since November 2016 and May 2017, respectively, and Vice-President of the Corporation since November 2016	Managing Director at the Canada Pension Plan Investment Board

- [1] On February 13, 2020, as part of the Reorganization, Mr. R. Jeffrey Orr, President and Chief Executive Officer of Power Financial, became President and Chief Executive Officer of the Corporation.
- [2] On March 18, 2020, following the Reorganization, the board of directors of Power Financial decided to reduce the number of officers of Power Financial from 19 to 4.
- [3] On May 20, 2020, IntegraMed America, Inc. and certain of its affiliates (collectively, "IntegraMed") filed voluntary petitions under Chapter 7 of the Bankruptcy Code (United States) in the Delaware Bankruptcy Court in order to effect a liquidation of IntegraMed's assets for the benefit of its creditors. Mr. Robinson was a director and officer of IntegraMed on May 20, 2020. Mr. Paul Desmarais III was previously a director and officer of IntegraMed, having resigned from all such positions by August 9, 2019.

ITEM 13 VOTING SECURITIES

The aggregate number and percentage of securities of each class of voting securities of Power and its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by all Directors and executive officers of Power as a group^[1], as at December 31, 2020, was:

Name	Number of shares	Percentage
Power		
Subordinate Voting Shares	31,835,600	5.12
Lifeco		
Common Shares	561,029	0.06
IGM Financial		
Common Shares	244,024	0.10

- [1] Securities directly or indirectly controlled or beneficially owned by Power, Power Financial, Lifeco and IGM Financial have not been included in the table. The Desmarais Family Residuary Trust exercises control over Pansolo which, as at December 31, 2020, directly and indirectly owned voting shares of Power carrying 50.8 per cent of the votes attached to the voting securities of Power. As at December 31, 2020, Power beneficially owned 100 per cent of the issued and outstanding Common Shares of Power Financial, which in turn controlled, directly or indirectly, approximately 65.0 per cent and 66.0 per cent of the voting shares of Lifeco and IGM Financial, respectively. The Desmarais Family Residuary Trust is for the benefit of members of the family of The Honourable Paul G. Desmarais. The trustees of the Desmarais Family Residuary Trust are Paul Desmarais, Jr., André Desmarais, Sophie Desmarais, Michel Plessis-Bélair and Guy Fortin. The trustees also act as voting administrators. Decisions with respect to voting and disposition of Pansolo's shares of Power are determined (subject to the rights of Paul Desmarais, Jr. and André Desmarais to direct the sale or pledge of up to 15,000,000 and 14,000,000 Subordinate Voting Shares of Power, respectively, as discussed below) by a majority of the trustees of the Desmarais Family Residuary Trust, excluding Sophie Desmarais, provided that, if there is no such majority, Paul Desmarais, Jr. and André Desmarais, acting together, may make such decisions. Paul Desmarais, Jr., André Desmarais and Michel Plessis-Bélair are each a Director and/or officer of Power. Other than 29,000,000 Subordinate Voting Shares of Power, for which control and direction is shared by Pansolo and Paul Desmarais, Jr. or his designee as to 15,000,000 Subordinate Voting Shares or André Desmarais or his designee as to 14,000,000 Subordinate Voting Shares, securities controlled by Pansolo have not been included in the table.

ITEM 14 COMMITTEES

The CBCA and securities legislation require the Corporation to have an Audit Committee. The Corporation also appoints a Human Resources Committee, a Related Party and Conduct Review Committee and a Governance and Nominating Committee. The current membership of the committees is set forth in the Directors table of page 41 of this Annual Information Form.

Item 14.1 Audit Committee

AUDIT COMMITTEE'S CHARTER

The charter of the Audit Committee is attached as Appendix A to this Annual Information Form.

COMPOSITION OF AUDIT COMMITTEE

The members of the Audit Committee are Siim A. Vanaselja, Marcel R. Coutu, Gary A. Doer, J. David A. Jackson and T. Timothy Ryan, Jr. Each member of the Audit Committee is independent (as defined under National Instrument 52-110 – *Audit Committees*) and none receives, directly or indirectly, any compensation from Power other than for service as a member of the Board of Directors and its committees. All members of the Audit Committee are financially literate (as defined under National Instrument 52-110 – *Audit Committees*).

RELEVANT EDUCATION AND EXPERIENCE OF AUDIT COMMITTEE MEMBERS

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Mr. Vanaselja is a Company Director. He served as the Executive Vice-President and Chief Financial Officer of BCE Inc. and Bell Canada from 2001 to 2015. Prior to joining BCE Inc., he was a Partner with KPMG Canada in Toronto. Mr. Vanaselja is a director of several Power group companies in North America, including Power Financial, Lifeco and Canada Life. He is also a director and Chair of the board of TC Energy Corporation and a trustee of RioCan Real Estate Investment Trust. He previously served as a director and Chair of the Audit Committee of Maple Leaf Sports & Entertainment Ltd. He also previously served on the Finance Minister's Federal Advisory Committee on Financing, on Moody's Council of Chief Financial Officers, on the Corporate Executive Board's Working Council for Chief Financial Officers and on the Conference Board of Canada's National Council of Financial Executives. Mr. Vanaselja is a Fellow of the Chartered Professional Accountants of Ontario and holds an Honours Bachelor of Business Administration degree from the Schulich School of Business. He has been a member of the Audit Committee of Power since May 2020.

Mr. Coutu is a Company Director. He is a director of Brookfield Asset Management Inc. and Enbridge Inc. From 2001 to January 1, 2014, he was President and Chief Executive Officer of Canadian Oil Sands Limited, an oil and gas company, and, from 2003 to 2014, Chairman of Syncrude Canada Ltd., a Canadian oil sands project. Mr. Coutu was previously Senior Vice-President and Chief Financial Officer of Gulf Canada Resources Limited. He has more than 25 years of experience in the energy sector, primarily focused in the areas of corporate finance, investment banking, mining, and oil and gas exploration and development. He is a director of many Power group companies in North America, including Lifeco, Canada Life, Empower Retirement, Putnam, IGM Financial, IG Wealth Management and Mackenzie Inc. He is the Chair and Designated Financial Expert of the Audit Committee of Brookfield Asset Management Inc. and also serves as a director of the Calgary Exhibition and Stampede Board. Mr. Coutu has also held board positions with Gulf Indonesia Resources Limited, TransCanada Power Limited Partnership and the Board of Governors of the Canadian Association of Petroleum Producers. He holds a Bachelor of Science (Honours) in Geology from the University of Waterloo and an MBA from the University of Western Ontario (now Western University). Mr. Coutu was a member of the Canadian Council of Chief Executives (now the Business Council of Canada) and a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta until 2014. He has been a member of the Audit Committee of Power since May 2012.

Mr. Doer is a Senior Business Advisor to the law firm Dentons Canada LLP, a position he has held since August 2016. From October 2009 to January 2016, he served as Canada's Ambassador to the United States. He was the Premier of Manitoba from 1999 to 2009 and served in a number of roles in the Legislative Assembly of Manitoba from 1986 to 2009. In 2005 as

Premier, Mr. Doer was named by Business Week magazine as one of the top 20 international leaders on climate change. In 2017, Mr. Doer joined the Trilateral Commission as a member of the North American Group. Mr. Doer is also a director of several Power group companies in North America, including Power Financial, Lifeco, Canada Life, Empower Retirement, Putnam, IGM Financial, IG Wealth Management and Mackenzie Inc. He is also a director of Air Canada since May 2018 and was a member of the Audit, Finance & Risk Committee of Air Canada from 2018 to 2020. He was a director of Barrick Gold Corporation from 2016 to 2018. Mr. Doer is a volunteer Co-Chair of the Wilson Centre's Canada Institute, a non-partisan public policy forum focused on Canada-U.S. relations. In 2010, Mr. Doer became a Member of the Order of Manitoba and, in 2011, he received a distinguished diplomatic service award from the World Affairs Council. He has been a member of the Audit Committee of Power since May 2016.

Mr. Jackson retired as a Partner of the law firm Blake, Cassels & Graydon LLP ("Blakes") in 2012, and currently serves as Senior Counsel to the firm, providing advice primarily in the areas of mergers and acquisitions and corporate governance. He was the Chairman of Blakes from 1995 to 2001. He was recognized throughout his career as a leading practitioner in the areas of mergers and acquisitions, corporate finance and corporate governance by numerous independent assessment organizations. Mr. Jackson is also a director of several Power group companies in North America, including Lifeco and Canada Life. He served as a director on the boards of Power Financial from May 2013 to February 2020 and of IG Wealth Management from 1991 to 2001. Mr. Jackson has also served as a director of a number of public and private corporations. He was a director and the Vice-Chairman of the board of Sunnybrook Health Sciences Centre until June 2011. He holds a Bachelor of Commerce degree from the University of Windsor and a Bachelor of Laws (LL.B.) from Osgoode Hall Law School, and was called to the Bar of Ontario in 1974. He has been a member of the Audit Committee of Power since May 2013 and previously served as the Chairman of the Audit Committee from May 2013 to May 2020.

Mr. Ryan is a Company Director. Until October 2014, he was Managing Director, Global Head of Regulatory Strategy and Policy of JPMorgan Chase & Co. ("J.P. Morgan"), a global financial services firm, a position he had held since February 2013. From 2008 to 2013, Mr. Ryan was President and Chief Executive Officer of the Securities Industry and Financial Markets Association (SIFMA), a trade association representing 680 global financial market participants. Prior to joining SIFMA, he was Vice-Chairman, Financial Institutions and Governments, at J.P. Morgan, where he was a member of the firm's senior leadership. He was also a private sector member of the Global Markets Advisory Committee for the U.S. National Intelligence Council from 2007 to 2011. From 2002 to 2004, Mr. Ryan was also a member of the U.S.-Japan Private Sector/Government Commission with responsibility for Corporate Restructuring and the Non-Performing Loans workout, and from 2000 to 2004, he also served as a board member and Chairman of the Audit Committee at KorAm Bank of Seoul, Korea. Prior to joining J.P. Morgan in 1993, Mr. Ryan was the Director of the Office of Thrift Supervision, U.S. Department of the Treasury, where he served as the principal manager of the savings and loan cleanup that involved closing approximately 700 insolvent institutions, improving capital bases, and selling over \$300 billion of assets. He is a director of many Power group companies in North America, including Power Financial, Lifeco, Canada Life, Empower Retirement and Putnam, having previously served as a director of the Corporation and Power Financial from May 2011 to May 2013 and of Lifeco from May 2010 to May 2013. In addition, Mr. Ryan is Chairman of the boards of Santander Holdings U.S.A., Inc., Santander Bank, N.A. and Banco Santander International. He served as a director of Markit Group Limited from April 2013 to October 2014 and of Lloyds Banking Group from March 2009 to April 2013. Mr. Ryan is a graduate of Villanova University and the American University Law School. He served as an officer in the U.S. Army from 1967 to 1970. He has been a member of the Audit Committee of Power since May 2014 and previously served as a member and the Chairman of the Audit Committee from May 2012 to May 2013.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted a Policy Regarding Pre-approval of Services Provided by the External Auditor (the "Policy"). The Policy sets out audit services that are pre-approved by the Committee, outlines prohibited non-audit services and sets out a pre-approved list of permitted non-audit services. The pre-approved list of permitted non-audit services is to be reviewed and pre-approved periodically and certain other non-audit services must be approved on a case-by-case basis by the Audit Committee. The Policy further requires that the external independent auditor (referred to as "the

auditor” hereafter) implement its own policies and procedures to provide that prohibited services are not provided and that permitted services are pre-approved before an engagement is accepted.

AUDITOR'S FEES

Fees payable by Power^[1] and Power Financial for the years ended December 31, 2020 and December 31, 2019 to Deloitte LLP and its affiliates were, respectively, as follows:

	Years ended December 31			
	Power		Power Financial	
	2020	2019	2020	2019
Audit Fees	\$1,085,000	\$1,009,000	\$965,000	\$1,218,000
Audit-Related Fees ^{[2] [3]}	\$147,000	\$100,000	\$156,000	\$58,000
Tax Fees ^{[2] [3]}	\$209,000	\$534,000	\$10,000	\$49,000
All Other Fees ^{[2] [3]}	-	\$34,000	-	\$34,000
TOTAL	\$1,441,000	\$1,677,000	\$1,131,000	\$1,359,000

[1] Fees payable by Lifeco are described in the section entitled “Audit Committee Information” of Lifeco’s Annual Information Form and fees payable by IGM Financial are described in the section entitled “Audit Committee” of IGM Financial’s Annual Information Form.

[2] During the financial year ended December 31, 2020, Deloitte LLP provided audit-related, tax and other services to certain subsidiary entities of the Corporation, other than Power Financial and its subsidiaries (including Lifeco and IGM Financial), for additional fees in the amount of \$2,087,000 (2019 - \$1,181,000), \$1,284,000 (2019 - \$356,000) and \$23,000 (2019- nil), respectively.

[3] During the financial year ended December 31, 2020, Deloitte LLP provided audit-related, tax and other services to certain subsidiary entities of Power Financial, other than Lifeco and IGM Financial, for additional fees in the amount of \$546,000 (2019- \$711,000), nil (2019- \$10,000) and \$8,000 (2019- nil), respectively.

The nature of each category of fees is described below.

AUDIT FEES

Audit fees were incurred for professional services rendered by the auditor for the audit of the annual financial statements of Power and Power Financial, for the review of Power’s and Power Financial’s respective quarterly financial statements and for services provided in connection with regulatory, prospectus and other offering document filings or similar engagements. In addition, audit fees included the cost of translation of various continuous disclosure documents of Power and Power Financial.

AUDIT-RELATED FEES

Audit-related fees were incurred for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements and that are not reported under the audit fees item above. These services consisted primarily of other attest services not required by statute or regulation.

TAX FEES

Tax fees were incurred for tax compliance services and assistance with various other tax matters.

ALL OTHER FEES

These fees were incurred in connection with other permitted non-audit services. In 2020 and 2019, these related to innovation projects.

PROCEDURES FOR COMPLAINTS

In accordance with National Instrument 52-110 – *Audit Committees*, the Corporation has established procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters. Persons wishing to utilize such procedures may contact the Vice-President, General Counsel and Secretary of the Corporation at 751 Victoria Square, Montréal, Québec H2Y 2J3.

ITEM 15 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Annual Information Form, none of (i) the Directors or executive officers of the Corporation, (ii) shareholders who beneficially own or control directly or indirectly more than 10 per cent of the Subordinate Voting Shares or Participating Preferred Shares, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Corporation.

ITEM 16 TRANSFER AGENT

Power's securities are transferable at the principal offices of its transfer agent and registrar, Computershare Investor Services Inc., in Toronto, Vancouver and Montréal.

ITEM 17 EXPERTS

Power's auditor is Deloitte LLP. Deloitte LLP has advised the Corporation that it is independent with respect to the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

RBC Dominion Securities Inc. authored the formal valuation of the Subordinate Voting Shares, the formal valuation of the Common Shares of Power Financial and the fairness opinion to the special committee of the board of directors of Power Financial relating to the Reorganization, dated December 12, 2019, summarized in the business acquisition report of the Corporation dated May 13, 2020. To the knowledge of the Corporation, at the time it prepared or certified its valuations and opinion, RBC Dominion Securities Inc. (or any of the "designated professionals" thereof) did not hold, has not subsequently received or is entitled to receive registered or beneficial interests, direct or indirect, in any securities or other property of the Corporation or any of its associates or affiliates, in any case representing more than 1 per cent of all issued and outstanding securities of a class.

ITEM 18 ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

Power recognizes that the effective management of environmental, social and governance (ESG) factors can have a positive impact on our Corporation's profitability, long-term performance and ability to create value in a sustainable manner.

Power has established a series of corporate policies articulating its commitments towards and management of ESG-related topics such as business conduct and ethics, anti-corruption, human rights, respectful and inclusive workplace, diversity, responsible procurement, data privacy and security, environmental responsibility, lobbying activities and political contributions. Through its Third Party Code of Conduct, Power also extends these commitments to third parties with which it has a business relationship. Power has been a signatory to the United Nations Global Compact (UNGC) since 2014.

Power is committed to transparent disclosure with regards to ESG factors. On an annual basis, its CSR-dedicated website (www.powercorporationcsr.com), as well as its Data Supplement, which presents Power's performance against key ESG metrics are updated. Power has also been responding to the Climate Change questionnaire of the Carbon Disclosure Project (CDP) since 2012, being one of only three Canadian companies, with Lifeco, to receive the top score of A (Leadership) in 2020. In addition, both Power and IGM Financial were included in Corporate Knights' 2020 Best 50 Corporate Citizens ranking.

Power's approach to community investment consists of the contributions it makes to numerous organizations through corporate donations and investments, and through its support of employee volunteering initiatives. Power has established a community investment microsite, www.PowerCorporationCommunity.com, to highlight some of the organizations it supports, and the positive outcomes they achieved.

As part of its active ownership approach, Power engages with its portfolio companies to confirm they continue to be managed in a manner consistent with the Corporation's responsible management philosophy. Many of Power's group companies are signatories to the Principles for Responsible Investment (PRI) – including Putnam, Irish Life Investment Managers Limited, GLC Asset Management Group Ltd., IG Wealth Management, Mackenzie Investments, GBL and Power Pacific Investment Management Inc. Additionally, Lifeco, as well as IGM Financial, IG Wealth Management, Mackenzie Investments and Investment Planning Counsel are supporters of the Task Force on Climate-Related Financial Disclosures (TCFD).

ITEM 19 ADDITIONAL INFORMATION

Additional information relating to Power may be found on SEDAR at www.sedar.com. Information including Directors' and officers' remuneration and indebtedness, principal holders of Power's securities, stock options and interests of insiders in material transactions is, where applicable, contained in its latest Management Proxy Circular. Additional financial information is provided in the financial statements for the year ended December 31, 2020 and Power's MD&A, which have been filed on SEDAR.

Power Financial, Lifeco and IGM Financial, the major direct and indirect subsidiaries of Power, are reporting issuers under Canadian securities legislation. Lifeco and IGM Financial are required to file annual and interim financial statements, material change reports and copies of material contracts. Investors who wish to do so may view such documents under the respective company profiles at www.sedar.com. Power Financial relies on certain of the continuous disclosure documents filed by Power pursuant to an exemption from the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* pursuant to Section 13.1 thereof and as provided in the decision of the Autorité des marchés financiers and the Ontario Securities Commission, dated January 19, 2021, regarding Power Financial and Power.

APPENDIX A

Power Corporation of Canada Audit Committee Charter

1. Purpose and Composition

The purpose of the Audit Committee (the “Committee”) of Power Corporation of Canada (the “Corporation”) is to assist the Board of Directors (the “Board”) in reviewing:

- 1.1 the Corporation’s financial disclosure;
- 1.2 the qualifications and independence of the Corporation’s external auditor; and
- 1.3 the performance of the external auditor.

The Committee of the Corporation shall be composed of not less than three directors of the Corporation, all of whom shall be *independent* and *financially literate* within the meaning of the Canadian Securities Administrators National Instrument 52-110.

2. Procedural Matters

In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:

- 2.1 **Meetings** – The Committee shall meet at least four times every year, and more often if necessary, to discharge its duties and responsibilities hereunder.
- 2.2 **Appointment** – The members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors shall be duly appointed and qualified or until their earlier death, resignation or removal.
- 2.3 **Advisors** – The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay, at the Corporation’s expense, the compensation of such advisors.
- 2.4 **Quorum** – A quorum at any meeting of the Committee shall be a majority of the Committee members.
- 2.5 **Secretary** – The Chair of the Committee, or any person appointed by the Chair of the Committee, shall act as secretary of meetings of the Committee.
- 2.6 **Calling of Meetings** – A meeting of the Committee may be called by the Chair of the Committee, by the Chair of the Board, by the external auditor of the Corporation, or by any member of the Committee, on not less than 48 hours’ notice to the members of the Committee specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Committee waive notice. If a meeting of the Committee is called by anyone other than the Chair of the Board, the person(s) calling such meeting shall so inform the Chair of the Board and the Chair of the Committee.

3. Duties and Responsibilities

3.1 **Financial Disclosure** – The Committee shall:

1. unless otherwise determined by the Board, approve the Corporation’s interim management’s discussions and analyses (pursuant to delegation of authority by the Board);
2. review the Corporation’s:
 - a. interim and annual financial statements;
 - b. annual management’s discussions and analyses;
 - c. interim and annual earnings press releases; and
 - d. other documents containing audited or unaudited financial information, at its discretion;
 and report thereon to the Board before such documents are approved by the Board and disclosed to the public; and
3. be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, other than the disclosure provided by the financial statements, management’s discussions and analyses and earnings

press releases, and shall periodically assess the adequacy of those procedures.

- 3.2 **Chief Executive Officer's Expense Reports.** The Chair of the Committee shall review, at least annually, the expense reports of the Chief Executive Officer. Following this review, the Chair shall report to the Committee.
- 3.3 **Policy on Use of Corporate Aircraft.** The Chair of the Committee shall review, at least annually, the application of the *Policy on Use of Corporate Aircraft*. Following this review, the Chair shall report to the Committee.
- 3.4 **External Audit.** The Committee shall:
 1. recommend to the Board the external auditor to be appointed for purposes of preparing or issuing an auditor's report or performing other audit, review or attest services;
 2. review the terms of the external auditor's engagement, the appropriateness and reasonableness of proposed audit fees, and any issues relating to the payment of audit fees, and make a recommendation to the Board with respect to the compensation of the external auditor;
 3. review the independence of the external auditor, including an annual report prepared by the external auditor regarding its independence;
 4. meet with the external auditor and with management to review the audit plan, audit findings, and any restrictions on the scope of the external auditor's work;
 5. review with the external auditor and management any changes in Generally Accepted Accounting Principles that may be material to the Corporation's financial reporting;
 6. have the authority to communicate directly with the external auditor;
 7. require the external auditor to report directly to the Committee;
 8. directly oversee the work of the external auditor that is related to the preparation or issue of an auditor's report or other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 9. meet with the external auditor to discuss the annual financial statements (including the report of the external auditor thereon) and the interim financial statements (including the review engagement report of the external auditor thereon);
 10. review any management letter containing the recommendations of the external auditor, and the response and follow up by management in relation to any such recommendations;
 11. review any evaluation of the Corporation's internal control over financial reporting conducted by the external auditor, together with management's response;
 12. pre-approve (or delegate such pre-approval to one or more of its independent members) in accordance with a pre-approval policy, all engagements for non-audit services to be provided to the Corporation or its subsidiary entities by the external auditor, together with all non-audit services fees, and consider the impact of such engagements and fees on the independence of the external auditor;
 13. review and approve the Corporation's hiring policy regarding partners, employees and former partners and employees of the present and former external auditor; and
 14. in the event of a change of auditor, review and approve the Corporation's disclosure relating thereto.
- 3.5 **Risk Oversight** – In performing its duties and exercising its powers, the Committee shall consider and address:
 1. the risks related to the establishment, maintenance and implementation of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR) in relation to disclosure by the Corporation in accordance with applicable law; and
 2. the risks related to cybersecurity that would reasonably be expected to have a material effect on the Corporation's ongoing business, affairs and/or reputation.
- 3.6 **Financial Complaints Handling Procedures** – The Committee shall establish procedures for:
 1. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 2. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- 3.7 **Global Anti-Bribery Policy** – The Committee shall be responsible for monitoring the implementation of, and compliance with, the Corporation's *Global Anti-Bribery Policy*.
- 3.8 **In-Camera Sessions** – At each meeting of the Committee, the members of the Committee shall meet without

members of management present. The Committee shall also periodically meet separately with each of the external auditor and management, as the Committee deems appropriate.

3.9 Subsidiaries

1. With respect to any Material Operating Subsidiary in the corporate ownership chain between the Corporation and any Direct Subsidiary, the Committee shall review the financial statements of that Material Operating Subsidiary.
2. With respect to any Direct Subsidiary:
 - a. the Committee shall rely on the review and approval of the financial statements of the Direct Subsidiary by the audit committee and the board of directors of the Direct Subsidiary, and on reports or opinions of the external auditor on those financial statements;
 - b. the Committee shall receive a copy of the charter of the Direct Subsidiary's audit committee, together with a memorandum summarizing its meeting processes and structure ("Process Memorandum"); and
 - c. at each meeting of the Committee, the secretary of the Committee shall table a report from the secretary of the Direct Subsidiary's audit committee confirming that the processes mandated by its charter and Process Memorandum have been followed.
3. For these purposes:
 - a. **"Material Operating Subsidiary"** means an operating subsidiary whose net income represents 10% or more of the net income of the Corporation; and
 - b. **"Direct Subsidiary"** means the first Material Operating Subsidiary entity below the Corporation in a corporate ownership chain that has an audit committee which is comprised of a majority of independent directors.

4. Auditor's Attendance at Meetings

The external auditor shall be entitled to receive notice of every meeting of the Committee and, at the expense of the Corporation, to attend and be heard at any meeting of the Committee. If so requested by a member of the Committee, the external auditor shall attend every meeting of the Committee held during the term of office of the external auditor.

5. Access to Information

The Committee shall have access to any information, documents and records that are necessary in the performance of its duties and the discharge of its responsibilities under this Charter.

6. Review of Charter

The Committee shall periodically review this Charter and recommend any changes to the Board as it may deem appropriate.

7. Reporting

The Chair of the Committee shall report to the Board, at such times and in such manner, as the Board may from time to time require and shall promptly inform the Chair of the Board of any significant issues raised during the performance of the functions as set out herein, by the external auditor or any Committee member, and shall provide the Chair of the Board copies of any written reports or letters provided by the external auditor to the Committee.