



2022 Annual Information Form

March 16, 2023



POWER CORPORATION
OF CANADA

Annual Information Form

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Item 1 General Information

All dollar figures are in Canadian dollars, unless stated otherwise. The information in this Annual Information Form is as at December 31, 2022, unless stated otherwise and except for information in documents incorporated by reference that have a different date. In addition, the table below lists a number of defined terms that are used throughout this Annual Information Form.

NAME IN FULL	ABBREVIATION	NAME IN FULL	ABBREVIATION
Annual Information Form of Great-West Lifeco dated February 8, 2023	Great-West Lifeco's Annual Information Form	Management's Discussion and Analysis of Power dated March 16, 2023	Power's MD&A
Annual Information Form of IGM dated March 16, 2023	IGM's Annual Information Form	Nautilus Solar Energy, LLC	Nautilus Solar
The Canada Life Assurance Company	Canada Life	Pansolo Holding Inc.	Pansolo
China Asset Management Co., Ltd.	ChinaAMC	Pargesa SA	Pargesa Holding
Empower Annuity Insurance Company of America	Empower	Parjointco SA	Parjointco
EverWest Holdings Inc.	EverWest	Portag3 Ventures Limited Partnership	Portage Ventures I
Groupe Frère / Compagnie Nationale à Portefeuille	Frère Group	Portag3 Ventures II Limited Partnership	Portage Ventures II
Great-West Lifeco Inc.	Great-West Lifeco	Portage Ventures III Limited Partnership	Portage Ventures III
Groupe Bruxelles Lambert	GBL	Power Corporation of Canada	Power or the Corporation
IGM Financial Inc.	IGM	Power Financial Corporation	Power Financial
Investment Planning Counsel Inc.	Investment Planning Counsel	Power Sustainable Capital Inc.	Power Sustainable
Investors Group Inc.	IG Wealth Management	Power Sustainable Energy Infrastructure Partnership	PSEIP
Irish Life Group Limited	Irish Life	Power Sustainable Investment Management Inc.	Power Sustainable China
The Lion Electric Company	Lion Electric	Putnam Investments, LLC	Putnam
Mackenzie Financial Corporation	Mackenzie Investments	Sagard Credit Partners, LP	Sagard Credit Partners I
Management's Discussion and Analysis of IGM dated February 9, 2023	IGM's MD&A	Sagard Credit Partners II, LP	Sagard Credit Partners II
Management's Discussion and Analysis of Great-West Lifeco dated February 8, 2023	Great-West Lifeco's MD&A	Sagard Healthcare Royalty Partners, LP	Sagard Healthcare
		Sagard Holdings Inc.	Sagard
		Wealthsimple Financial Corp.	Wealthsimple

1.1 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* 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*.

1.2 Documents incorporated by reference

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

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

These documents have been prepared by Great-West Lifeco and IGM, respectively, and are available on SEDAR under their respective company profiles at www.sedar.com.

In addition, certain portions of Power's MD&A, Great-West Lifeco's MD&A and IGM's MD&A are incorporated herein by reference to the extent specified herein. Power's MD&A (containing Great-West Lifeco's MD&A and IGM's MD&A) is available on SEDAR under the Corporation's profile at www.sedar.com.

1.3 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 2023 NCIB (as defined herein), fundraising activities by investment platforms, capital commitments by the Power group and third parties, management of standalone businesses to realize value over time, 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 (such as the invasion of Ukraine), or an outbreak of a public health pandemic or other public health crises (such as COVID-19), the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, the liquidity of the Participating Preferred Shares, the controlling shareholder's majority ownership of the votes attached to the Corporation's voting securities, 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, that any required approvals (including regulatory approvals) for strategic transactions, acquisitions, divestitures or other growth or optimization strategies will be received when and on such terms as are expected, as well as other considerations that are believed to be appropriate in the circumstances, including the availability of cash to complete purchases under the 2023 NCIB, that the list of risks and uncertainties in the preceding 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, in each case, entitled "General" of Great-West Lifeco's Annual Information Form and IGM's Annual Information Form are incorporated herein by reference.

1.4 Non-IFRS financial measures

Disclosures incorporated by reference into this Annual Information Form contain certain financial measures (including ratios) that do not have a standard meaning under International Financial Reporting Standards (IFRS). Management uses these financial measures in its presentation and analysis of the financial performance, financial condition and cash flows of Power and other companies in the Power group, and believes that such measures provide additional meaningful information to readers in their analysis of the results of the Corporation. These non-IFRS financial measures may not be comparable to similar measures used by other entities. Refer to the disclosures included or referenced in the sections entitled “Non-IFRS Financial Measures” in Part A of Power’s MD&A, “Non-GAAP Financial Measures and Ratios” of Great-West Lifeco’s MD&A, which can be found in Part B of Power’s MD&A, and “Non-IFRS Financial Measures and Other Financial Measures” of IGM’s MD&A, which can be found in Part C of Power’s MD&A, as applicable, which sections are incorporated herein by reference, for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS as well as additional details on each measure, as applicable. Power’s MD&A is located under the Corporation’s profile on SEDAR at www.sedar.com.

This Annual Information Form also includes disclosure of “assets under management and advisement of IGM” and “net asset value reported by GBL”, which are used to discuss activities of the Corporation’s publicly traded operating companies. Refer to the section entitled “Non-IFRS Financial Measures and Other Financial Measures” of IGM’s MD&A which can be found in Part C of Power’s MD&A, for a definition of “Assets under management and advisement”, and to the section entitled “Other Measures” in Part A of Power’s MD&A for a definition of “net asset value reported by GBL”, which definitions are incorporated herein by reference.

See also “Documents Incorporated by Reference” above.

Item 2 Corporate Structure

2.1 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 to, among other things: subdivide and re-designate the common shares as Subordinate Voting Shares; subdivide and re-designate the 15¢ Participating Preferred Shares as Participating Preferred Shares; and create various series of First Preferred Shares.

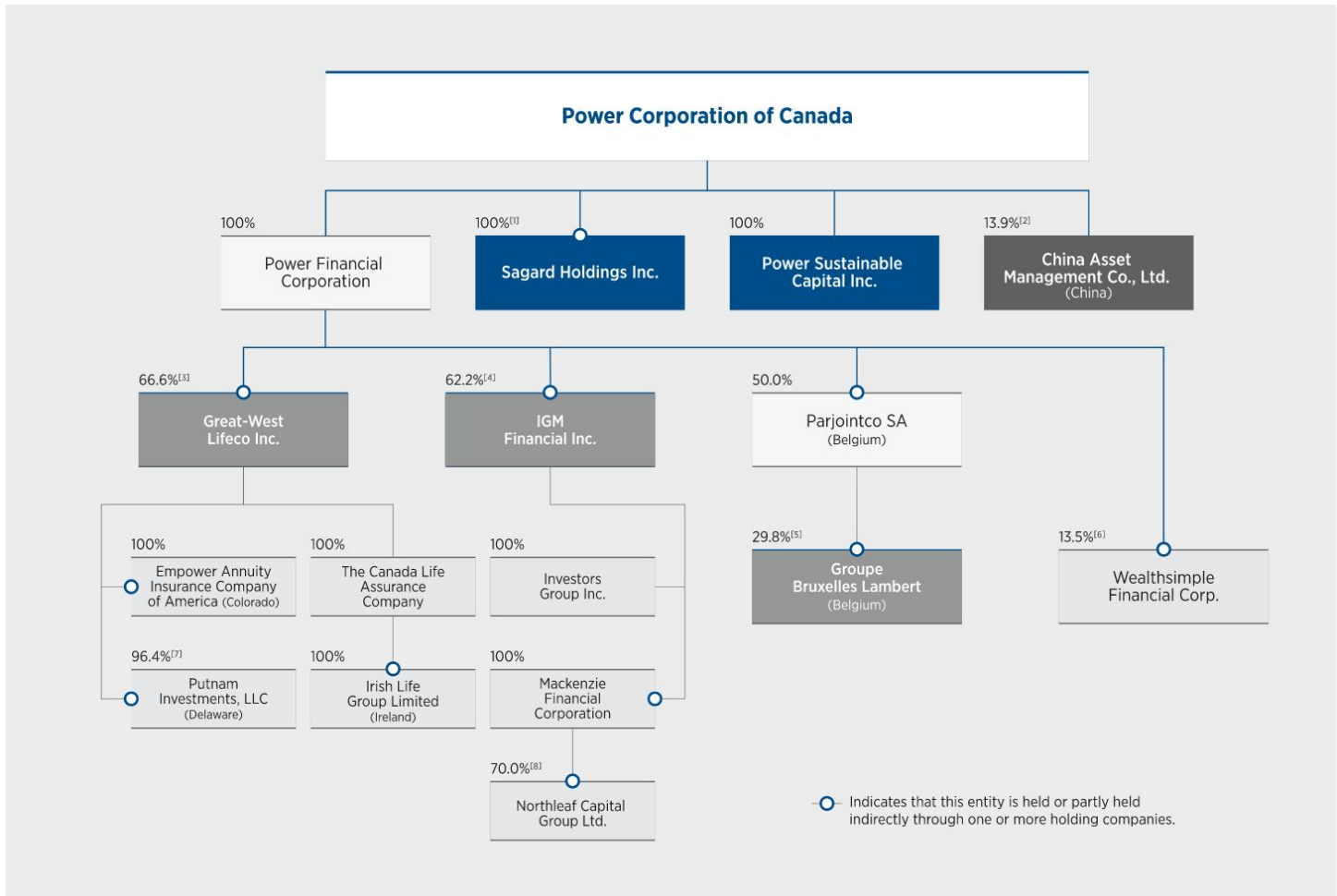
2.2 Intercorporate relationships

The chart on the following page summarizes Power's corporate structure as at December 31, 2022, 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, 2022 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, 2022. The chart also omits certain subsidiaries whose primary role is to hold investments in other subsidiaries of the Corporation.

The sections, in each case, entitled "Corporate Structure" of Great-West Lifeco's Annual Information Form and IGM'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, 2022 filed with the Canadian securities regulators and which are available under the Corporation's profile at www.sedar.com and on the Corporation's website.



- [1] As at December 31, 2022, the Corporation held an 80.9 per cent interest in Sagard Holdings Management Inc.
- [2] As at December 31, 2022, IGM also indirectly held an additional 13.9 per cent ownership stake in ChinaAMC. On January 12, 2023, the Corporation sold its 13.9 per cent ownership stake in ChinaAMC to Mackenzie Investments, an indirectly wholly owned subsidiary of IGM. Immediately following the closing of this transaction, IGM's equity ownership in ChinaAMC was 27.8 per cent and the Corporation ceased to own any direct equity interests in ChinaAMC. See "General Development of the Business – Development of the business over the last three years – ChinaAMC".
- [3] As at December 31, 2022, 53.5 per cent of the participating equity securities of Great-West Lifeco were owned by Power Financial, 3.1 per cent were owned by 3411893 Canada Inc., 6.8 per cent were owned by 3439453 Canada Inc. and 3.2 per cent were owned by 4400003 Canada Inc., each an indirectly wholly owned subsidiary of the Corporation. In addition, IGM, an indirect subsidiary of the Corporation, owned 4.0 per cent of the participating equity securities of Great-West Lifeco. On January 12, 2023, IGM sold 15,200,662 Great-West Lifeco common shares to 11249207 Canada Inc., an indirectly wholly owned subsidiary of the Corporation. Immediately following the transaction, the Corporation beneficially owned an aggregate of 635,450,694 Great-West Lifeco common shares, excluding those shares which remain beneficially owned by IGM, representing 68.2 per cent of the participating equity securities of Great-West Lifeco. The Corporation and its subsidiaries, including IGM, own, in the aggregate, voting securities to which are attached 65.0 per cent of the votes attached to all voting securities of Great-West Lifeco.
- [4] As at December 31, 2022, 59.0 per cent of the participating equity securities of IGM were owned by Power Financial, 2.3 per cent were owned by 3411893 Canada Inc. and 0.9 per cent were owned by 4400003 Canada Inc., each an indirect wholly owned subsidiary of the Corporation. In addition, Canada Life, an indirect subsidiary of the Corporation, owned 3.9 per cent of the participating equity securities of IGM (excluding 0.02 per cent of equity securities of IGM held by Canada Life in its segregated funds or for similar purposes). The Corporation and its subsidiaries owned, in the aggregate, voting securities to which are attached approximately 66.1 per cent of the votes attached to all voting securities of IGM.
- [5] As at December 31, 2022, Power Financial, Portage Ventures I and IGM held equity interests in Wealthsimple of 13.5 per cent, 10.8 per cent and 30.0 per cent, respectively, for an aggregate undiluted equity interest of 54.3 per cent, representing a voting interest of 56.5 per cent and a fully diluted equity interest of 42.5 per cent.
- [6] 44.0 per cent voting interest.
- [7] 100 per cent voting interest.
- [8] 49.9 per cent non-controlling voting interest. The interest in Northleaf Capital Group Ltd. is held through an acquisition vehicle in which IGM held, as at December 31, 2022, a 80.0 per cent equity interest and Great-West Lifeco held a 20.0 per cent equity interest.

Item 3 General Development of the Business

3.1 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, 2022, 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 Great-West Lifeco and IGM. It also holds jointly with the Frère Group of Charleroi, Belgium an indirect interest in GBL.

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

As at December 31, 2022, Power and its group companies had, in aggregate, approximately 37,300 employees worldwide.

3.2 Development of the business over the last three years

The sections entitled "General Development of the Business" starting on page 18 of Great-West Lifeco's Annual Information Form, as well as the applicable, corresponding disclosures included or referenced in the section entitled "Non-GAAP Financial Measures and Ratios" of Great-West Lifeco's MD&A, which can be found in Part B of Power's MD&A, and "Development of Business Over the Last Three Years" starting on page 7 of IGM's Annual Information Form, as well as the applicable, corresponding disclosures included or referenced in the section entitled "Non-IFRS Financial Measures and Other Financial Measures" of IGM's MD&A, which can be found in Part C of Power's MD&A, are each incorporated herein by reference.

THE CORPORATION

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") 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 Articles of the Corporation, 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 6.0 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 during the 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 17, 2020, the Corporation had purchased for cancellation 7,352,500 Subordinate Voting Shares pursuant to the 2020 NCIB for a total 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 December 31, 2020, the Corporation completed 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 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.

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 February 24, 2022, 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 at that time. The Corporation purchased for cancellation 4,772,600 Subordinate Voting Shares pursuant to the 2021 NCIB for a total of approximately \$182 million.

On October 15, 2021, Power Financial issued 8,000,000 4.50 per cent Non-Cumulative First Preferred Shares, Series 23, priced at \$25.00 per share for gross proceeds of \$200 million.

On November 22, 2021, Power Financial redeemed all 8,000,000 of its outstanding 6.00 per cent Non-Cumulative First Preferred Shares, Series I for a price of \$25.00 per share, in accordance with the terms of such shares.

On January 15, 2022, the Corporation redeemed all 86,100 of its outstanding Cumulative Redeemable First Preferred Shares, 1986 Series for a price of \$50.00 per share, in accordance with the terms of such shares.

On February 24, 2022, the Corporation announced that the TSX had accepted the Corporation's notice of intention to make a normal course issuer bid (the "2022 NCIB") to purchase for cancellation, on the open market, during the period commencing on February 28, 2022 and ending on the earlier of February 27, 2023 and the completion of purchases under the 2022 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 at that time. The Corporation purchased for cancellation 10,515,700 Subordinate Voting Shares pursuant to the 2022 NCIB for a total of approximately \$386 million.

On January 12, 2023, the Corporation, through an indirectly wholly owned subsidiary of the Corporation, acquired from IGM 15,200,662 common shares of Great-West Lifeco. Immediately following the acquisition of these additional Great-West Lifeco common shares, the Corporation beneficially owned an aggregate of 635,450,694 Great-West Lifeco common shares, excluding those which remain beneficially owned by IGM, representing 68.2 per cent of the issued and outstanding Great-West Lifeco common shares (see also "General Development of the Business – Development of the business over the last three years – ChinaAMC").

On February 27, 2023, the Corporation announced that the TSX had accepted the Corporation's notice of intention to make a normal course issuer bid (the "2023 NCIB"), as more fully described in the section entitled "Market for Securities - Normal Course Issuer Bid".

GBL

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 SA ("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. Immediately following the public exchange offer and the implementation of such double-voting rights, Parjointco, through Parjointco Switzerland, held a 28.2 per cent equity interest and a 43.2 per cent voting interest in GBL. On April 12, 2021, Parjointco Switzerland changed its name to Pargesa SA.

In 2021, GBL acquired and sold/cancelled respectively 5,057,804 and 5,863,518 treasury shares for an overall net amount of €407 million.

In 2022, GBL repurchased, directly and through its subsidiaries, 7.6 million shares of its own capital, for a total consideration of €643 million, representing 5.0% of GBL's capital at December 31, 2022. In May 2022, GBL's board of directors approved a fifth allocation for share buybacks of €500 million, which GBL started to implement in June 2022 and had 63.0% completed at December 31, 2022. During the second quarter of 2022, GBL cancelled 3.4 million of its treasury shares.

As at December 31, 2022, GBL and its subsidiaries held 12,222,870 treasury shares, representing 8 per cent of its capital.

ALTERNATIVE ASSET INVESTMENT PLATFORMS

SAGARD

In October 2020, Sagard launched Sagard Credit Partners II, its second credit fund.

On January 11, 2021, Sagard announced the launch of its Canadian private equity platform, Sagard Private Equity Canada, a strategy focused on Canadian mid-market opportunities. On November 16, 2021, Sagard announced the first closing of Sagard Private Equity Canada.

On February 18, 2021, Sagard announced the final closing of Sagard Healthcare, a fund that invests in the life sciences sector.

On October 7, 2021, Sagard announced that it would acquire EverWest from Great-West Lifeco in the context of a long-term strategic relationship with Great-West Lifeco, which was also announced at such time. EverWest is a real estate investment platform operating in acquisitions, development, asset management and property management in specific sub-markets within the United States. Everwest is headquartered in Denver, Colorado, and has regional offices throughout the United States. The transaction closed on November 19, 2021. In exchange, Great-West Lifeco acquired a minority equity stake in Sagard Holdings Management Inc. As part of the strategic relationship with Sagard, Great-West Lifeco has committed to investing approximately US\$2.0 billion (including amounts committed prior to the transaction date) in EverWest investment vehicles to support EverWest's future growth. In addition, the relationship included further capital commitments of approximately US\$500 million by Great-West Lifeco into certain Sagard managed funds (incremental to its then current commitments to certain existing Sagard funds).

On July 21, 2022, Sagard announced the final closing of Portage Ventures III, raising \$655 million of capital commitments.

On July 28, 2022, Sagard announced the launch of the Portage Capital Solutions fund, a capital partner for fintech and financial services businesses that aims to deliver flexible equity capital solutions and resources to later-stage fintech and financial services companies and will generally target investments over \$50 million.

FINTECH

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 and Great-West 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, Power, IGM and Great-West Lifeco together had a controlling interest in Wealthsimple of 61.7 per cent on a fully diluted basis, of which Power's interest was 23.1 per cent.

On May 3, 2021, Wealthsimple announced that it had signed a \$750 million equity offering, consisting of a \$250 million primary offering by Wealthsimple, as well as a \$500 million secondary offering by the Corporation, IGM and Great-West Lifeco (the "PCC Group") *pro rata* to their respective ownership interests. Immediately following completion of the primary and secondary offerings, the PCC Group continued to be the largest shareholder in Wealthsimple with a combined 42.6 per cent equity interest, on a fully diluted basis, and 60.3 per cent of the voting rights. As a result of the secondary offering, the PCC Group received proceeds of \$500 million and retained an interest valued at \$0.9 billion as at December 31, 2022.

POWER SUSTAINABLE

On January 19, 2021, Power Sustainable announced the launch of PSEIP, 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 \$150 million from Great-West Lifeco. At the closing or thereafter, certain existing operating assets and projects under development from Potentia Renewables Inc. and Nautilus Solar, wholly owned operating companies of Power Sustainable, were transferred to PSEIP in exchange for consideration in cash and units in PSEIP.

On March 30, 2022, Power Sustainable announced the launch of its North American agri-food private equity platform, Power Sustainable Lios, and its inaugural Lios Fund I.

On November 29, 2022, Power Sustainable announced the closing of Vintage II of PSEIP, raising \$600 million of additional capital commitments from new and existing capital partners.

CHINAAMC

On January 12, 2023, the Corporation sold its 13.9 per cent ownership stake in ChinaAMC to Mackenzie Investments, an indirectly wholly owned subsidiary of IGM, for aggregate consideration of \$1.15 billion in cash, bringing IGM's equity ownership in ChinaAMC to 27.8 per cent. In a separate transaction, on January 12, 2023 the Corporation, through an indirectly wholly owned subsidiary of the Corporation, acquired from IGM 15,200,662 common shares of Great-West Lifeco for cash consideration of approximately \$552.7 million. Immediately following the acquisition of these additional Lifeco common shares, the Corporation beneficially owned an aggregate of 635,450,694 Great-West Lifeco common shares, excluding those shares which remain beneficially owned by IGM, representing 68.2 per cent of the issued and outstanding Great-West Lifeco common shares.

Item 4 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.

4.1 Publicly traded operating companies

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

GREAT-WEST LIFECO

Great-West Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Great-West Lifeco operates in Canada, the United States and Europe through Canada Life, Empower, Putnam, Canada Life Limited and Irish Life. As at December 31, 2022, Great-West Lifeco and its subsidiaries had approximately 31,000 employees worldwide.

Great-West Lifeco, through its operating subsidiaries, provides products and services under a number of brands, including Canada Life, Irish Life, Empower, Putnam Investments and PanAgora.

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 to individual customers. The products are distributed through multiple channels: Advisor Solutions, managing general agencies (MGAs), national accounts, and Financial Horizons Group. Through the Group Customer business unit, Canada Life provides life, accidental death and dismemberment, critical illness, disability, health and dental protection, creditor insurance as well as retirement savings and income and annuity products and other specialty products to group clients in Canada. The products are distributed through an extensive network of group sales offices located across the country through brokers, consultants and financial security advisors.

The United States segment includes a Financial Services business unit (specifically the Empower brand) and an Asset Management business unit (specifically the Putnam brand). In the United States, Empower is a leading provider of employer-sponsored retirement savings plans in the public/non-profit and corporate sectors that offers saving, investment and advisory services through employer-sponsored plans and individual product solutions. This includes the full-service retirement services business of Prudential Financial, Inc., acquired on April 1, 2022. Personal Capital Corporation is a hybrid wealth manager that combines a leading-edge digital experience with personalized advice. Empower's products and services are marketed nationwide through its sales force, brokers, consultants, advisors, third-party administrators and financial institutions. Putnam provides investment management services and related administrative functions and distribution services. Putnam offers a broad range of investment products, including equity, fixed income, absolute return and alternative strategies, through Putnam Funds, Putnam Exchange Traded Funds, Putnam World Trust Funds, institutional portfolios (including hedge fund and other alternative strategies), model-based separately managed accounts and model portfolios.

The Europe segment is comprised of three distinct business units serving customers in the United Kingdom (U.K.), Ireland and Germany, offering individual and group protection and wealth management products, including payout annuity products, equity release mortgages, investments (including life bonds, retirement drawdown and pension), and group insurance. These products are distributed primarily through independent financial advisors and employee benefit consultants in the U.K and Isle of Man. 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 core products offered by the Germany business unit are individual and group pensions and life insurance products. These products 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, 2022, approximately 9.2 million common shares (representing approximately 3.9 per cent) of IGM (excluding approximately 0.06 million common shares of IGM held by Canada Life in its segregated funds or for similar purposes).

The section entitled "Description of the Business" starting on page 4 of Great-West Lifeco's Annual Information Form, as well as the applicable, corresponding disclosures included or referenced in the section entitled "Non-GAAP Financial Measures and Ratios" of Lifeco's MD&A, which can be found in Part B of Power's MD&A, are incorporated herein by reference.

IGM

IGM is a leading wealth and asset management company, primarily providing investment advisory and related services, with \$249.4 billion in assets under management and advisement^[b] as at December 31, 2022. Its activities are carried out through IG Wealth Management, Mackenzie Investments and Investment Planning Counsel.

As at December 31, 2022, IGM and its subsidiaries had 4,010 employees.

IGM'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 3,235 consultants located throughout Canada, with \$110.8 billion in client assets under advisement as at December 31, 2022, which includes \$99.3 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 653 financial advisors and \$29.5 billion in client assets under advisement as at December 31, 2022, which includes \$4.6 billion in assets under management.

IGM'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 mandates to Wealth Management were \$186.6 billion as at December 31, 2022 and assets under management excluding sub-advisory mandates to Wealth Management were \$113.1 billion as at December 31, 2022.

IGM's Strategic Investments and Other segment primarily represents the key strategic investments made by IGM, including ChinaAMC, Lifeco, Northleaf Capital Group Ltd., Wealthsimple, and the Portage 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, 2022, IGM owned approximately 37 million common shares (representing approximately 4.0 per cent) of Lifeco. On January 12, 2023, the Corporation, through an indirectly wholly owned subsidiary of the Corporation, acquired from IGM 15,200,662 common shares of Lifeco. Immediately following the transaction, IGM owned approximately 22 million common shares (representing approximately 2.4 per cent) of Lifeco (see also "General Development of the Business – Development of the business over the last three years – The Corporation and Power Financial").

The section entitled "Description of Business" of IGM's Annual Information Form, as well as the applicable, corresponding disclosures included or referenced under "Non-IFRS Financial Measures and Other Financial Measures" of IGM's MD&A, which can be found in Part B of Power's MD&A, are incorporated herein by reference.

[b] Refer to the definition of "Assets under management and advisement" in the section entitled "Non-IFRS Financial Measures and Other Financial Measures" of IGM's MD&A, which can be found in Part C of Power's MD&A, located under the Corporation's profile on SEDAR at www.sedar.com, which definition is incorporated herein by reference.

GBL

The information contained herein concerning GBL and the companies in which it has an investment has been derived from publicly disclosed information, as reported by GBL. Further information on GBL and the companies in which it has an investment is available on GBL's website (www.gbl.be).

BACKGROUND OF GBL

Power Financial Europe SA ("PFE"), a wholly owned subsidiary of Power Financial, and the Frère Group of Charleroi, Belgium each hold a 50 per cent interest in Parjointco, a holding company, which itself held an indirect 29.8 per cent equity interest and 44.0 per cent voting interest in GBL as at December 31, 2022. GBL is an investment holding company listed on the Brussels Stock Exchange. GBL aims to grow its diversified high-quality portfolio of listed, private and alternative investments. In addition, GBL is developing its third-party asset management activity through Sienna Investment Managers, a wholly owned subsidiary. The carrying value of the Corporation's indirect interest in GBL was \$3,314 million as at December 31, 2022. The net asset value reported by GBL^[c] was €17,775 million as at December 31, 2022.

In 1981, Power participated with European partners in reorganizing Pargesa Holding 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, pursuant to an agreement concluded in 1990 (the "agreement") with the Frère Group, another of the original partners in Pargesa Holding, Power, through PFE, and the Frère Group established a new holding company structure bringing together their respective interests in Pargesa Holding and GBL. Pursuant to the agreement, each of the Power group and the Frère Group hold a 50 per cent interest in Parjointco, governed by the laws of Belgium. 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. 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 – GBL".

GBL – DESCRIPTION OF GROUP COMPANIES

As at December 31, 2022, GBL's portfolio was mainly comprised of the following investments:

PUBLICLY LISTED	
> Imerys SA – mineral-based specialty solutions for industry	> Umicore, NV/SA – materials technology and recycling of precious metals
> SGS SA – inspection, verification, testing and certification solutions	> GEA Group AG – supplier of equipment and project management for a wide range of processing industries primarily in the food and beverage sectors
> adidas AG – design, development, production and distribution of sporting goods	> Ontex Group NV – personal hygiene solutions provider
> Pernod Ricard SA – wines and spirits	> Mowi ASA – producer of Atlantic salmon
> Holcim Ltd. – construction materials and solutions including cement, aggregates and concrete	
PRIVATELY HELD	
> Groupe Webhelp – business process outsourcer, specializing in customer experience, sales and marketing services and payment services	> Parques Reunidos Servicios Centrales, S.A. – leisure park operator
> Canyon Bicycles GmbH – direct-to-consumer manufacturer of premium bicycles	> Affidea Groupe B.V. – provider of advanced diagnostics and outpatient services
	> Sanoptis AG – provider of ophthalmology services
	> Voodoo – developer and publisher of mobile games

[c] Refer to the definition of "Net asset value reported by GBL" in the section entitled "Other Measures" in Part A of Power's MD&A, located under the Corporation's profile on SEDAR at www.sedar.com, which definition is incorporated herein by reference.

Through GBL Capital (formerly Sienna Capital) and Sienna Investment Managers, GBL has expanded its activities into alternative asset management and is developing an alternative investment portfolio including investments in funds externally managed and direct private equity co-investments, and offers a full range of investment strategies through its third-party fund managers.

4.2 Alternative asset investment platforms

Since the launch of the first Sagard fund in Europe in 2002, the Corporation has continued to develop alternative asset investment platforms ("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. These investment platforms offer alternative strategies to traditional long-term investment strategies. Traditional long-term investment strategies generally invest in publicly traded stocks and fixed income investments, whereas the alternative asset investment strategies include venture capital, private equity, private credit as well as real estate and infrastructure.

SAGARD

Sagard was founded as a complement to the Corporation's global investment activities. Sagard is a multi-strategy alternative asset management firm active in venture capital & growth, private equity, private credit, royalties and real estate. Sagard also engages in private wealth management.

Venture Capital & Growth: Sagard's venture capital & growth strategy includes Portage Ventures, Portage Capital Solutions and Portage Fintech Acquisition Corporation. Portage Ventures is a global fintech venture capital investment strategy dedicated to supporting fintech innovators in insurance, consumer and small and medium business finance, wealth and asset management, and fintech enablers. Through Portage Ventures I, Portage Ventures II and Portage Ventures III, Portage Ventures has invested in over 90 fintech companies and investment funds. In July 2022, Portage announced the launch of Portage Capital Solutions, a capital partner for fintech and financial services businesses that aims to deliver flexible equity capital solutions and resources to later-stage fintech and financial services companies and will generally target investments over \$50 million. Portage Capital Solutions commenced fundraising efforts in the third quarter of 2022. Portage Fintech Acquisition Corporation is a special purpose acquisition company focused on fintech and financial services opportunities sponsored by PFTA I LP, an affiliate of Sagard.

Private Equity: Sagard Private Equity Canada is a private equity strategy investing in the Canadian middle market, with a focus on business and financial services, as well as manufacturing. Sagard Midcap (formerly Sagard Europe) is a European private equity investment strategy which invests in middle-market business services, healthcare, food & consumer, and industrial sectors. Sagard Midcap currently has three private equity funds: Sagard Midcap II, Sagard Midcap III, and Sagard Midcap IV. Sagard NewGen, a fund launched in 2020, is a European lower-middle-market private equity investment strategy that invests in high-growth technology and healthcare industry leaders, with investment sizes typically between €10 million and €50 million.

Private Credit: Sagard Credit is a non-sponsor, direct lending strategy focused on middle-market public and private companies in North America. It provides bespoke debt solutions across the credit spectrum in first- and second-lien loans, such as unsecured and mezzanine financings, tailored to a company's specific needs. In October 2021, Sagard announced the launch of a new senior direct lending strategy, Sagard Senior Lending, which provides non-sponsor first-lien, floating rate debt to public and private middle-market companies to help fund growth and other strategic initiatives.

Royalties: Sagard Healthcare, a fund launched in 2019, is a biopharmaceutical royalties investment strategy that invests in royalties and credit backed by approved and commercialized biopharmaceutical products, diagnostics, and medical devices.

Real Estate: Sagard completed the acquisition in November 2021 of EverWest (as further described in the section entitled "General Development of the Business – Development of the business over the last three years – Alternative asset investment platforms"), a full-service real estate investment platform operating in acquisitions, development, asset management, and property management in specific sub-markets within the United States.

Private Wealth Management: as at December 31, 2022, Sagard indirectly held a 65 per cent interest in Grayhawk Investment Strategies Inc., a private wealth investment platform offering independent, bespoke and client-centric investment solutions for Canadian families.

The Corporation's investments in Portage Ventures I, Portage Ventures II, Portage Ventures III, Sagard Private Equity Canada, Sagard Midcap II, Sagard Midcap III, Sagard Midcap IV, Sagard NewGen, Sagard Credit Partners I, Sagard Credit Partners II and Sagard Healthcare, including those held through Power Financial, are managed by Sagard.

Fintech investments are comprised of the Corporation's investments, primarily held through Power Financial, in Portage Ventures I, Portage Ventures II, Portage Ventures III, and Wealthsimple, a financial technology company operating a digital investing platform. As at December 31, 2022, Portage Ventures I, Power Financial and IGM collectively held, through a limited partnership controlled by Power Financial, an undiluted equity interest in Wealthsimple of 54.3 per cent, representing a voting interest of 56.5 per cent and a fully diluted equity interest of 42.5 per cent.

POWER SUSTAINABLE

Power Sustainable, an indirect wholly owned subsidiary of the Corporation, is a sustainable investment manager with offices in Canada, China, and the United States. Power Sustainable invests in companies and projects that contribute to decarbonization, social progress and quality growth, which are priorities shared by its global network of clients, asset owners, partners and employees. Power Sustainable is currently comprised of three platforms: Power Sustainable China, Power Sustainable Energy Infrastructure and Power Sustainable Lios.

Power Sustainable China invests in mainland China's public equity markets and is focused on providing returns with low levels of volatility. Power Sustainable China manages China-based equity investment funds and holds a Private Fund Manager (PFM) licence for domestic Chinese investors. Power Sustainable China also manages the Corporation's capital which is invested in mainland China's public equity markets through a Qualified Foreign Institutional Investor (QFII) licence as well as through the Hong Kong Stock Connect program.

Power Sustainable Energy Infrastructure ("Power Sustainable Energy") operates a leading North American-focused renewable energy platform with 1.8 GW of utility-scale and distributed energy assets, including 546 MW of assets under construction, and 346 MW of assets in advanced development projects as at December 31, 2022. Power Sustainable Energy actively manages investments through PSEIP and direct investments.

Power Sustainable Lios is a specialized North American agri-food private equity investment platform, supporting the sustainability transformation occurring within our food system. Power Sustainable Lios invests in growth-oriented mid-market companies across the food value chain in North America to drive positive and sustainable change. See also "General Development of the Business – Development of the business over the last three years – Alternative asset investment platforms".

As at December 31, 2022, the Corporation and Great-West Lifeco held interests of 39.4 per cent and 14.9 per cent, respectively, in PSEIP.

STANDALONE BUSINESSES

The Corporation also has interests in certain standalone businesses which are managed to create and realize value over time.

Through Sagard, as at December 31, 2022, the Corporation held a 42.6 per cent equity interest and a 50.0 per cent voting interest in Peak Achievement Athletics Inc., a company that designs, develops and commercializes sports equipment and apparel for ice hockey and lacrosse under iconic brands including Bauer.

Through Power Sustainable Capital Inc., the Corporation held as at December 31, 2022: a controlling interest of 49.6 per cent in LMPG 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 35.4 per cent interest in Lion Electric, an innovative manufacturer of zero-emission vehicles, that creates, designs and manufactures all-electric Class 5 to Class 8 commercial urban trucks and all-electric buses and minibuses for the school, paratransit and mass transit segments. Recent developments regarding Power Sustainable's interest in Lion Electric are described in the section entitled "General Development of the Business – Development of the business over the last three years – Alternative asset investment platforms".

4.3 ChinaAMC

Founded in 1998 as one of the first fund management companies in China, ChinaAMC has developed and maintained its position among the market leaders in China's asset management industry. ChinaAMC's total assets under management, excluding subsidiary assets under management, were RMB¥1,722 billion (C\$338 billion) as at December 31, 2022.

As at December 31, 2022, the Corporation and IGM each held a 13.9 per cent interest in ChinaAMC. On January 12, 2023, the Corporation sold its 13.9 per cent interest in ChinaAMC to Mackenzie Investments, an indirectly wholly owned subsidiary of IGM, for aggregate consideration of \$1.15 billion in cash (as further described in the section entitled "General Development of the Business – Development of the business over the last

three years – ChinaAMC"). Immediately following the closing of the transaction, IGM's equity ownership in ChinaAMC was 27.8 per cent and the Corporation ceased to own any direct equity interests in ChinaAMC.

Item 5 Sustainability

Power recognizes that the effective management of environmental, social and governance (ESG) factors can have a positive impact on the 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. Its sustainability-dedicated website (www.powercorporationsustainability.com) is updated on an annual basis. Power has also been responding to the Climate Change questionnaire of the CDP (formerly Carbon Disclosure Project) since 2012, receiving a score of A- (Leadership) in 2022.

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 a long-term active shareholder, Power engages with its portfolio companies to confirm they continue to be managed in a manner consistent with the Corporation's responsible management philosophy. The Corporation is proud of the achievements of its publicly traded operating companies and alternative asset investment platforms, all of which are signatories of the Principles for Responsible Investment, either directly or through their operating companies. Great-West Lifeco, IGM and GBL, as well as several of their own portfolio companies, are also supporters of the Task Force on Climate-Related Financial Disclosures. Additional information on ESG approaches of each of Great-West Lifeco, IGM and GBL can be found on their respective websites.

Item 6 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. The description of risks below applicable to the Corporation 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 Great-West Lifeco and IGM. 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 Great-West Lifeco are described and referenced in the subsection entitled "Risk Factors" of Great-West Lifeco's Annual Information Form, which subsection and further references are incorporated herein by reference; and the risks of being an investor in IGM are referenced in the subsection entitled "Risk Factors" of IGM'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 COVID-19 pandemic and geopolitical tensions. 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. There is also 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. While the Participating Preferred Shares are listed for trading on the TSX, the "public float" in such securities may have a negative impact on the pricing and liquidity of such securities. Accordingly, there can be no guarantee of an active trading market in Participating Preferred Shares and holders of such securities may not be able to dispose of their investment in a timely manner or without having a significant impact on the trading price of such securities.

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, or pursuant to regulatory expectations that may otherwise restrict the payment of dividends. The requirements imposed by regulators in any jurisdiction may change from time to time, and thereby impact the ability of the operating subsidiary to pay dividends.

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.

A majority of the votes attached to the Corporation's voting securities are indirectly controlled by the Desmarais Family Residuary Trust and, therefore, certain transactions or other actions requiring the approval of a majority or supermajority of votes cast by all shareholders voting together, or of the holders of the Participating Preferred Shares on a class basis, cannot be completed without the approval of the controlling shareholder. If the Corporation were to cease to be a controlled company, the Corporation could be subject to risks generally applicable to non-controlled public companies but to which the Corporation has not historically been subject.

Continuing military hostilities in Ukraine and broader economic challenges, particularly those related to trade relations, inflation pressures and volatility in international capital flows among major economies are contributing to a challenging economic environment. Economic growth has slowed across geographies over the course of the year, reflecting trade tensions, central bank efforts to combat inflation, and continued labour market and supply chain disruptions. The Corporation is closely monitoring the impacts and potential consequences on its financial position. The diversified nature of the Corporation's operating subsidiaries, their business models and the markets served, continue to mitigate risks presented by ongoing global uncertainty.

The duration and full impacts of the COVID-19 pandemic are still unknown at this time. The distribution of vaccines has resulted in the easing of restrictions in many economies, although the COVID-19 pandemic continues to cause disruption to key supply chains globally, resulting in ongoing economic pressures. While the conditions have become more stable, many factors continue to extend economic uncertainty, including the rollout and efficacy of vaccines, emergence of new COVID-19 variants and the durability and effectiveness of government and central bank interventions.

Additional information about the risks and uncertainties of the Corporation's business is provided in the section entitled "Risk Management" of Power's MD&A, which section is incorporated herein by reference.

Item 7 Description of the Share Capital

7.1 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 16, 2023, there were issued and outstanding:

Share Class	Number of Shares Issued and Outstanding
Non-Participating Shares	
First Preferred Shares	
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	611,476,233

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. For a complete description of all terms and conditions of the Corporation's share capital, refer to the Articles of the Corporation, which 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 upon the dissolution of Power. 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 attaching to the Subordinate Voting Shares.

As at March 16, 2023, the Subordinate Voting Shares represented 52.71 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(l) 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 \$0.00938 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 \$0.00938 per annum on the Subordinate Voting Shares. Upon any dissolution or liquidation, in whole or in part, of Power or upon any 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 of any other shares ranking junior to the Participating Preferred Shares, are entitled to receive an amount equal to \$0.42188 per share plus any declared and unpaid dividends, but are not entitled to participate in the remaining assets or funds of the Corporation upon its dissolution or liquidation. 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 stated capital amount per share for which the Subordinate Voting Shares are to be issued. The terms of the Participating Preferred Shares do not include any redemption or retraction rights.

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, or any other distribution of assets of Power among its shareholders for the purpose of winding-up its affairs, the holders of the First Preferred Shares of each series then outstanding shall be entitled to receive all dividends accrued and remaining unpaid together with such premium, if any, the whole before any amount shall be paid to, or any assets of Power distributed among, holders of Participating Preferred Shares, Subordinate Voting Shares or of any other shares of Power 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.

In the event of the liquidation, dissolution or winding-up of Power or other distribution of 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 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"), 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.

	Fixed non-cumulative annual dividend (payable quarterly)	Redemption price ^[1] (plus declared and unpaid dividends)
First Preferred Shares		
Series A	5.60%	\$25.00
Series B	5.35%	\$25.00
Series C	5.80%	\$25.00
Series D	5.00%	\$25.00
Series G	5.60%	\$25.00

[1] All series of First Preferred Shares may be redeemed in whole or in part.

7.2 Power Financial

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 16, 2023, 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 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
Series S	12,000,000
Series T	8,000,000
Series V	10,000,000
Series 23	8,000,000
Third Preferred Shares	175,000,000
Common Shares	679,161,284

There are no Class A Common Shares 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, 2022 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. For a complete description of all terms and conditions of Power Financial's share capital, refer to the Articles of Power Financial, which 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 holders of Common 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. 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 assets of Power Financial 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. There are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights attaching to the Common Shares. All of the issued and outstanding Common Shares of Power Financial are held by the Corporation.

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 holders of Class A Common 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. 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 assets of Power Financial 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. Each holder of Class A Common Shares has the right to convert his or her 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, or other distribution of 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 assets of Power Financial among its shareholders for the purpose of winding-up its affairs, 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, 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 the Second Preferred Shares, the Third Preferred Shares, the Common Shares, the 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.

First Preferred Shares	Floating rate dividend	Fixed non-cumulative annual dividend (payable quarterly)	Redemption price ^[1] (plus declared and unpaid dividends)	Conversion rights
Series A	Cumulative, one quarter of 70.0% of Prime ^[2] , payable quarterly	–	\$25.00	–
Series D	–	5.50%	\$25.00	–
Series E	–	5.25%	\$25.00	–
Series F	–	5.90%	\$25.00	–
Series H	–	5.75%	\$25.00	–
Series K	–	4.95%	\$25.00	–
Series L	–	5.10%	\$25.00	–
Series O	–	5.80%	\$25.00	–
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]
Series Q	Non-cumulative, annual dividend, payable quarterly, equal to the product of \$25.00 and the Floating Quarterly Dividend Rate ^[5]	–	After 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]
Series R	–	5.50%	\$25.00	–
Series S	–	4.80%	\$25.00	–
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]
Series U	Non-cumulative, annual dividend, payable quarterly, equal to the product of \$25.00 and the Floating Quarterly Dividend Rate ^[5]	–	After 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]
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	
Series 23	–	4.50%	\$26.00 on or after January 31, 2027 \$25.75 on or after January 31, 2028 \$25.50 on or after January 31, 2029 \$25.25 on or after January 31, 2030 \$25.00 on or after January 31, 2031	

- [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 of 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 dividend 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 Power Financial'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, 2023 to but excluding April 30, 2023 for First Preferred Shares, Series Q, or (ii) 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. There are no First Preferred Shares, Series U issued and outstanding.
- [6] For (A) \$25.00 per share plus declared and unpaid dividends to but excluding the date fixed for redemption in the case of 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 but excluding 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.

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, 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 but after the First Preferred Shares. Holders of Second 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 Second Preferred Shares of such series. Holders of Second 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. 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, 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 but after the First Preferred Shares and the Second Preferred Shares. Holders of Third Preferred Shares are not entitled to notice of or to attend or to vote at any meeting of 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 8 Ratings

The following table provides the ratings assigned to the Corporation and Power Financial and their outstanding securities as at March 16, 2023.

	DBRS Morningstar ("DBRS")	Standard & Poor's ("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+
Non-cumulative preferred shares	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

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 an issuer 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 issuer.

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 issuers whose senior bonds are rated in the “A” category.

S&P

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 9 Dividends

9.1 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, 2022 were as follows: ⁽¹⁾

(in dollars)	2022	2021	2020
Subordinate Voting Shares (POW)	1.9800	1.8375	1.7900
Participating Preferred Shares (POW.PR.E)	1.9800	1.8375	1.7900
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, Series G (POW.PR.G)	1.4000	1.4000	1.4000

[1] On January 15, 2022, the Corporation redeemed all of its 86,100 Cumulative First Preferred Shares, 1986 Series (POW.PR.F). The cash dividends declared per share in 2022, 2021 and 2020 for the Cumulative First Preferred Shares, 1986 Series were nil, \$0.8576 and \$1.0124, respectively.

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:

Date of Announcement	Amount of the quarterly increase	Effective Date
March 18, 2020	10.5 per cent (from \$0.4050 per share to \$0.4475 per share)	May 1, 2020
November 15, 2021	10.6 per cent (from \$0.4475 per share to \$0.4950 per share)	February 1, 2022

* On March 16, 2023, subsequent to year-end, the Corporation announced a quarterly dividend of \$0.5250 per share, an increase of 6.1%, payable on May 1, 2023.

9.2 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, 2022 were as follows: ^[1]

(in dollars)	2022	2021	2020
Common Shares (PWF) ^[2]	2.192452	2.047895	1.9997
First Preferred Shares, Series A (PWF.PR.A)	0.722314	0.428752	0.483877
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 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)	0.4995	0.4995	0.5765
First Preferred Shares, Series Q (PWF.PR.Q)	0.822094	0.431211	0.540274
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	1.053752
First Preferred Shares, Series V (PWF.PR.Z)	1.2875	1.2875	1.2875
First Preferred Shares, Series 23 (PWF.PF.A)	1.1250	0.33288	N/A
Third Preferred Shares	N/A	N/A	N/A

[1] On November 22, 2021, Power Financial redeemed all of its 8,000,000 6.00 per cent Non-Cumulative First Preferred Shares, Series I (PWF.PR.I). The cash dividends declared per share in 2021 and 2020 for the First Preferred Shares, Series I were \$1.21541 and \$1.500, respectively.

[2] 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 10 Market for Securities

10.1 Power

The following table provides information regarding the price range and volume traded for each class of securities of Power on the TSX on a monthly basis for each month of the year ended December 31, 2022⁽¹⁾.

	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, Series G (POW.PR.G)
January 2022							
Intraday High (\$)	43.45	43.25	25.78	25.74	25.93	25.70	25.85
Intraday Low (\$)	39.57	42.06	25.50	25.42	25.53	25.21	25.50
Volume	33,495,029	120	65,766	47,198	86,678	109,008	91,059
February 2022							
Intraday High (\$)	42.78	43.82	25.99	25.68	25.68	25.41	25.94
Intraday Low (\$)	38.59	43.25	25.45	24.54	25.46	24.20	25.24
Volume	32,254,610	100	40,914	71,993	58,575	103,622	104,543
March 2022							
Intraday High (\$)	39.71	-	25.68	25.41	25.83	25.23	25.84
Intraday Low (\$)	37.39	-	25.25	24.82	25.40	23.93	25.25
Volume	76,528,342	-	43,577	85,615	105,565	119,922	146,875
April 2022							
Intraday High (\$)	39.62	43.82	25.37	25.09	25.75	24.40	25.41
Intraday Low (\$)	37.05	43.00	22.41	22.37	24.39	20.88	23.39
Volume	47,586,640	200	67,077	92,223	64,789	211,268	101,838
May 2022							
Intraday High (\$)	37.83	43.00	24.32	24.01	25.35	23.09	24.90
Intraday Low (\$)	33.03	38.53	23.70	22.47	24.51	21.30	23.72
Volume	40,579,270	212	46,538	66,835	74,322	115,152	96,144
June 2022							
Intraday High (\$)	37.01	39.06	25.19	24.29	25.59	23.20	25.20
Intraday Low (\$)	32.47	38.53	23.02	21.58	23.90	20.59	23.01
Volume	82,170,096	300	54,921	72,213	54,354	116,965	82,523
July 2022							
Intraday High (\$)	35.01	39.06	23.74	22.36	24.25	21.26	23.60
Intraday Low (\$)	32.62	39.01	22.50	21.60	23.65	20.32	22.61
Volume	51,486,886	100	72,747	132,686	162,347	120,002	136,671
August 2022							
Intraday High (\$)	35.81	-	23.16	22.40	24.10	21.50	23.23
Intraday Low (\$)	33.52	-	22.26	21.49	22.91	20.36	22.30
Volume	29,419,724	-	118,542	112,131	147,283	106,912	107,390
September 2022							
Intraday High (\$)	35.28	-	22.69	22.07	23.64	21.00	22.97
Intraday Low (\$)	30.83	-	21.05	20.01	22.00	19.09	20.64
Volume	79,361,436	-	67,170	87,568	138,938	61,846	78,374

October 2022							
Intraday High (\$)	33.96	39.01	21.60	20.70	23.09	19.81	22.09
Intraday Low (\$)	29.76	38.89	20.75	19.76	21.96	18.56	20.75
Volume	57,402,270	200	106,072	99,116	331,055	105,636	165,400
November 2022							
Intraday High (\$)	34.23	-	21.87	21.01	22.97	20.00	21.70
Intraday Low (\$)	31.68	-	20.64	19.75	21.78	18.67	20.64
Volume	32,807,728	-	103,659	134,136	148,996	161,536	120,357
December 2022							
Intraday High (\$)	34.22	38.89	22.44	21.01	23.42	19.90	22.44
Intraday Low (\$)	31.47	32.19	21.37	20.31	22.30	19.00	21.30
Volume	62,776,814	700	214,287	178,613	96,579	182,359	210,337

[1] On January 15, 2022, the Corporation redeemed all of its 86,100 Cumulative First Preferred Shares, 1986 Series (POW.PR.F). There was no trading of the Cumulative First Preferred Shares, 1986 Series (POW.PR.F) during the month of January, 2022.

10.2 Power Financial

The following table provides information regarding the price range and volume traded for each class of securities of Power Financial on the TSX on a monthly basis for each month of the year ended December 31, 2022.

	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 K (PWF.PR.K)	First Preferred Shares, Series L (PWF.PR.L)
January 2022							
Intraday High (\$)	17.80	25.76	26.06	25.78	25.89	25.50	25.96
Intraday Low (\$)	15.87	25.40	25.40	25.36	25.55	24.88	25.12
Volume	131,688	73,459	106,638	58,242	56,684	101,850	341,383
February 2022							
Intraday High (\$)	17.49	25.65	25.75	25.68	25.68	25.10	25.39
Intraday Low (\$)	15.40	25.35	25.09	25.40	25.53	24.23	24.75
Volume	56,395	41,214	71,260	49,176	39,435	65,638	177,265
March 2022							
Intraday High (\$)	15.75	25.59	25.55	25.81	25.96	25.00	26.51
Intraday Low (\$)	15.05	25.23	24.69	24.90	25.45	23.87	24.43
Volume	71,625	38,335	111,639	62,390	29,744	108,438	196,118
April 2022							
Intraday High (\$)	15.49	25.54	25.27	25.80	25.81	24.20	24.74
Intraday Low (\$)	13.19	23.00	21.85	24.51	24.40	20.65	21.23
Volume	23,025	107,287	79,070	65,213	49,395	96,715	98,352
May 2022							
Intraday High (\$)	14.52	24.15	23.25	25.39	24.94	22.15	22.59
Intraday Low (\$)	13.60	22.99	22.07	24.80	24.28	21.00	21.47
Volume	57,132	49,131	100,231	116,901	132,480	108,779	48,380
June 2022							
Intraday High (\$)	14.09	24.55	23.89	25.78	25.18	22.40	23.01
Intraday Low (\$)	13.24	22.60	21.27	24.20	23.70	20.10	20.80
Volume	79,526	174,651	154,929	104,973	254,407	147,692	76,099

July 2022							
Intraday High (\$)	13.68	24.00	22.00	24.99	24.69	20.93	21.47
Intraday Low (\$)	13.00	22.10	21.27	23.90	23.43	19.91	20.52
Volume	119,220	280,903	105,513	156,194	314,668	140,872	92,123
August 2022							
Intraday High (\$)	14.10	22.76	22.00	24.35	23.78	21.07	21.46
Intraday Low (\$)	13.00	21.90	21.41	23.35	22.70	20.06	20.62
Volume	157,044	83,815	62,350	175,365	277,051	93,449	62,420
September 2022							
Intraday High (\$)	14.10	22.29	21.80	24.25	23.23	20.30	20.92
Intraday Low (\$)	13.00	20.96	20.06	22.62	22.02	18.89	19.52
Volume	44,327	127,532	87,190	41,742	48,996	61,285	78,053
October 2022							
Intraday High (\$)	13.85	21.68	20.70	23.20	22.64	19.50	20.19
Intraday Low (\$)	12.50	20.25	19.44	22.36	21.47	18.34	18.91
Volume	70,839	67,472	62,551	81,304	52,878	77,922	116,787
November 2022							
Intraday High (\$)	13.85	21.49	20.40	23.00	22.17	19.27	19.84
Intraday Low (\$)	12.80	20.45	19.39	21.75	21.14	18.17	18.82
Volume	27,778	247,524	146,722	160,738	88,914	141,622	142,759
December 2022							
Intraday High (\$)	13.50	21.58	20.69	23.50	22.60	19.38	20.11
Intraday Low (\$)	12.86	21.01	20.00	22.44	22.01	18.96	19.51
Volume	33,351	163,926	189,574	156,003	243,290	192,872	162,317

	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)	First Preferred Shares, Series 23 (PWF.PF.A)
January 2022								
Intraday High (\$)	25.84	18.60	17.74	25.90	25.39	24.60	27.05	25.50
Intraday Low (\$)	25.41	17.51	17.05	25.40	24.75	23.85	26.35	24.26
Volume	81,824	356,675	1,400	72,549	112,162	70,748	35,572	514,438
February 2022								
Intraday High (\$)	25.60	18.31	17.05	25.75	25.00	24.45	26.74	24.82
Intraday Low (\$)	25.42	16.55	15.13	25.39	23.74	23.20	25.43	23.68
Volume	45,886	76,079	6,901	121,009	206,315	33,963	58,079	114,327
March 2022								
Intraday High (\$)	25.65	17.50	16.20	25.65	24.89	24.11	25.90	24.50
Intraday Low (\$)	25.40	15.00	14.95	25.19	23.50	22.55	24.82	22.64
Volume	52,108	88,815	14,520	96,133	68,796	73,156	122,014	150,397
April 2022								
Intraday High (\$)	25.67	16.99	16.25	25.60	23.97	24.53	25.05	23.00
Intraday Low (\$)	24.00	14.24	15.75	22.92	20.05	19.93	21.21	18.83
Volume	146,362	62,551	28,645	155,178	112,510	57,180	101,443	88,040
May 2022								
Intraday High (\$)	24.95	16.61	16.05	24.46	21.82	22.09	23.36	21.58
Intraday Low (\$)	24.25	14.51	15.61	22.93	20.41	20.52	21.81	19.65
Volume	81,929	76,131	32,940	172,326	83,286	40,465	111,176	255,208

June 2022								
Intraday High (\$)	25.17	16.00	16.05	24.64	21.99	22.49	23.59	22.02
Intraday Low (\$)	23.45	14.13	15.01	22.54	19.61	20.30	21.23	18.65
Volume	208,433	272,643	7,148	205,837	316,705	29,637	46,532	164,026
July 2022								
Intraday High (\$)	24.19	14.97	15.15	22.75	20.49	20.38	21.59	20.00
Intraday Low (\$)	23.22	13.20	15.01	22.01	19.50	18.30	20.72	18.50
Volume	297,272	52,166	4,711	156,093	207,884	463,921	92,038	562,923
August 2022								
Intraday High (\$)	23.89	14.98	16.43	22.98	20.45	20.01	22.00	20.00
Intraday Low (\$)	22.90	13.76	15.15	22.00	19.79	18.80	21.17	18.70
Volume	251,153	78,592	14,512	362,028	79,580	148,626	147,806	202,121
September 2022								
Intraday High (\$)	23.60	15.42	16.20	22.25	20.00	19.44	21.64	19.20
Intraday Low (\$)	22.24	12.89	15.15	20.88	18.49	18.32	20.10	17.72
Volume	54,054	61,192	5,002	53,504	71,156	26,226	47,222	51,143
October 2022								
Intraday High (\$)	22.70	13.11	15.27	21.64	19.00	18.85	21.00	18.59
Intraday Low (\$)	21.66	11.72	14.46	20.18	17.80	18.00	19.85	16.65
Volume	69,478	1,027,711	6,375	131,281	66,439	94,698	102,603	73,954
November 2022								
Intraday High (\$)	22.30	13.05	15.95	21.30	19.00	18.50	20.36	18.20
Intraday Low (\$)	21.26	12.05	15.15	20.26	17.90	18.00	19.22	16.70
Volume	103,255	82,042	10,500	148,804	232,415	57,447	122,572	180,782
December 2022								
Intraday High (\$)	22.65	13.02	15.65	21.52	19.13	19.09	20.25	18.65
Intraday Low (\$)	22.00	12.25	15.15	20.82	18.36	17.29	19.65	17.30
Volume	132,308	108,732	24,700	246,454	293,991	98,357	176,090	612,356

NORMAL COURSE ISSUER BID

On February 27, 2023, the Corporation announced that the TSX had accepted the Corporation's notice of intention to make the 2023 NCIB, being a normal course issuer bid to purchase for cancellation, on the open market, during the period commencing on March 1, 2023 and ending on the earlier of February 29, 2024 and the completion of purchases under the 2023 NCIB, up to 30,000,000 Subordinate Voting Shares, representing approximately 5.4 per cent of the "public float" of the Corporation's issued and outstanding Subordinate Voting Shares at February 22, 2023. As at March 16, 2023, the Corporation purchased for cancellation 857,400 Subordinate Voting Shares pursuant to the 2023 NCIB for a total of approximately \$31 million.

Item 11 Directors and Officers

11.1 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 the board of Bombardier Inc., a world leading manufacturer of business jets	n/a	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 and Power Financial	President and Co-Chief Executive Officer of the Corporation (until February 2020) and Executive Co-Chairman of Power Financial (until March 2020)	G&N
Paul Desmarais, Jr. Québec, Canada	May 1988	Chairman of the Corporation and Power Financial	Co-Chief Executive Officer of the Corporation (until February 2020) and Executive Co-Chairman of Power Financial (until March 2020)	G&N (Chair)
Gary A. Doer Manitoba, Canada	May 2016	Senior Business Advisor at Dentons Canada LLP	n/a	AUDIT
Anthony R. Graham ^[2] Ontario, Canada	May 2001	Chairman, President and Chief Executive Officer of Sumarria Inc., an investment management company	Vice-Chairman of Wittington Investments, Limited (until May 2019), the principal holding company of the Weston-Loblaw Group	HR (Chair), G&N
Sharon MacLeod Ontario, Canada	May 2021	Company Director	Global Brand Vice-President, Dove Men + Care of Unilever (until January 2019), a consumer goods company	HR
Paula B. Madoff New York, United States of America	May 2020	Company Director and Advisory Director to The Goldman Sachs Group	n/a	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	n/a	G&N, RP&CR
R. Jeffrey Orr Québec, Canada	May 2005	President and Chief Executive Officer of the Corporation and Power Financial	n/a	
T. Timothy Ryan, Jr. Florida, United States of America	May 2014 ^[3]	Company Director	n/a	AUDIT
Siim A. Vanaselja Ontario, Canada	May 2020	Company Director	n/a	AUDIT (Chair)
Elizabeth D. Wilson Ontario, Canada	May 2022	Vice-Chair of the Chartered Professional Accountants of Canada	Chief Executive Officer of Dentons Canada LLP (until January 2022), a law firm	AUDIT, RP&CR

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

[3] 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 12, 2022, to hold office until the close of the next annual meeting of shareholders.

11.2 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 and Power Financial	n/a
Jocelyn Lefebvre London, United Kingdom	Vice-Chairman, Europe of the Corporation and Founding Partner of Sagard SAS	Vice-Chairman of Pargesa Holding (until November 2020) ^[1]
Michel Plessis-Bélair Québec, Canada	Vice-Chairman of the Corporation	Vice-Chairman of Power Financial (until March 2020 ^[2])
Gregory D. Tretiak Québec, Canada	Executive Vice-President and Chief Financial Officer of the Corporation and Power Financial	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	Chairman and Chief Executive Officer of Power Sustainable Capital Inc. and Senior Vice-President of the Corporation	Senior Vice-President of Power Financial (until March 2020 ^[2])
Paul Desmarais III ^[3] Québec, Canada	Chairman and Chief Executive Officer of Sagard and Senior Vice-President of the Corporation	Senior Vice-President of Power Financial (until March 2020 ^[2]); Executive Chairman of Sagard (until May 2019)
Paul C. Genest Ontario, Canada	Senior Vice-President of the Corporation	Senior Vice-President of Power Financial (until March 2020 ^[2])
Charles Dumont Quebec, Canada	Vice-President, Strategy of the Corporation	Director, Strategy of the Corporation (until April 2021); Head of Digital Sales and Marketing of Cirque du Soleil (until April 2021), an entertainment company and contemporary circus producer; Global Leader of Transformation and Analytics of Cirque du Soleil (until June 2019); previously, founder and Chief Executive Officer of Gentoo Technologies (SensorFocus) (until March 2018), a startup in the cloud data and analytics space
Denis Le Vasseur Québec, Canada	Vice-President and Controller of the Corporation and Power Financial	n/a
Stéphane Lemay Québec, Canada	Vice-President, General Counsel and Secretary of the Corporation and Power Financial	n/a
Yuhong Liu (Henry) Québec, Canada	Vice-President of the Corporation	n/a
Richard Pan Québec, Canada	Vice-President, Head of Corporate Finance of the Corporation	Vice-President of Power Financial (until March 2020 ^[2])
Luc Reny Québec, Canada	Vice-President, Human Resources and Administration of the Corporation	Vice-President of Power Financial (until March 2020 ^[2])
Edouard Vo-Quang Québec, Canada	Assistant General Counsel of the Corporation	General Counsel and Corporate Secretary at Aimia Inc. (until April 2021), an investment company

[1] Following a successful public exchange offer by Parjointco Switzerland, on November 20, 2020, Pargesa Holding and Parjointco Switzerland merged and, as a result, Pargesa Holding ceased to exist (as further described in the section entitled "General Development of the Business – Development of the business over the last three years – GBL").

[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. Paul Desmarais III was previously a director and officer of IntegraMed, having resigned from all such positions by August 9, 2019.

Item 12 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, 2022, was:

Name	Number of shares	Percentage
Power		
Subordinate Voting Shares	32,500,456	5.31
Great-West Lifeco		
Common Shares	567,029	0.06
IGM		
Common Shares	241,304	0.10
Sagard Holding Management Inc.		
Class A-1 Preferred Shares	3,000,000	12.0
Class A-4 Preferred Shares	1,781,170	46.98

- [1] Securities directly or indirectly controlled or beneficially owned by Power, Power Financial, Great-West Lifeco and IGM have not been included in the table. The Desmarais Family Residuary Trust exercises control over Pansolo which, as at December 31, 2022, directly and indirectly owned voting shares of Power carrying 51.3 per cent of the votes attached to the voting securities of Power. As at December 31, 2022, Power beneficially owned 100 per cent of the issued and outstanding Common Shares of Power Financial, which in turn controlled, directly or indirectly, 65.0 per cent and approximately 66.1 per cent of the voting shares of Great-West Lifeco and IGM, respectively. The Desmarais Family Residuary Trust is for the benefit of members of the family of The Honourable Paul G. Desmarais. As at December 31, 2022, the trustees of the Desmarais Family Residuary Trust were 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 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 13 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 in item 11.1 ("Directors and Officers – Directors") of this Annual Information Form.

13.1 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 Messrs. Siim A. Vanaselja (Chair), Marcel R. Coutu, Gary A. Doer and T. Timothy Ryan, Jr. and Ms. Elizabeth D. Wilson. 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 their 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, Great-West Lifeco and Canada Life. He is also a director and Chair of the board of TC Energy Corporation and Lead Trustee of RioCan Real Estate Investment Trust. Mr. Vanaselja previously served as a director and Chair of the Audit Committee of Maple Leaf Sports & Entertainment Ltd. He also served on the Finance Minister's Federal Advisory Committee on Financing, on Moody's Council of 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 and Chair of the Audit Committee of Power since May 2020. Mr. Vanaselja is also a member and Chair of the Audit Committees of Power Financial and Great-West Lifeco.

Mr. Coutu is a Company Director. He was President and Chief Executive Officer of Canadian Oil Sands Limited, an oil and gas company, from 2001 to 2014, and Chairman of Syncrude Canada Ltd., a Canadian oil sands project, from 2003 to 2014. He was previously Senior Vice-President and Chief Financial Officer of Gulf Canada Resources Limited and, prior to that, held various positions in the areas of corporate finance, investment banking, and mining and oil and gas exploration and development. He is a director of several Power group companies in North America, including Great-West Lifeco, Canada Life, Empower, Putnam, IGM, IG Wealth Management and Mackenzie Inc. Mr. Coutu is also a director and Chair and Designated Financial Expert of the Audit Committee of Brookfield Asset Management Inc. and a director of the Calgary Stampede Foundation. He was a director of Enbridge Inc. from 2014 to 2021. 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). He has been a member of the Audit Committee of Power since May 2012.

Mr. Doer is a Senior Business Advisor at Dentons Canada LLP, a global law firm, since 2016. From 2009 to 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 a director of several Power group companies in North America, including Power Financial, Great-West Lifeco, Canada Life, Empower, Putnam, IGM, IG Wealth Management and Mackenzie Inc. He is also a director of Air Canada since 2018. 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. He is a member of the Canadian American Business Council Advisory Board and a director of The Climate Group, Inc. In 2010, he received an

Honorary Doctorate from the University of Winnipeg and he became a Member of the Order of Manitoba. In 2011, he received a distinguished diplomatic service award from the World Affairs Council and a Honorary Law Degree from University of Manitoba. He has been a member of the Audit Committee of Power since May 2016. Mr. Doer is also a member of the Audit Committee of Power Financial.

Mr. Ryan is a Company Director. He served as Vice-Chairman of Regulatory Affairs of JPMorgan Chase & Co. ("J.P. Morgan"), a global financial services firm, from January 2014 to October 2014. Previously, he was Managing Director, Global Head of Regulatory Strategy and Policy of J.P. Morgan, from 2013 to 2014. From 2008 to 2013, he 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. 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. He is a director of several Power group companies in North America, including Power Financial, Great-West Lifeco, Canada Life, Empower and Putnam, having previously served as a director of the Corporation and Power Financial from May 2011 to May 2013 and of Great-West Lifeco from May 2010 to May 2013. Mr. Ryan is also 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 2013 to 2014 and of Lloyds Banking Group from 2009 to 2013. He was a private sector member of the Global Markets Advisory Committee for the U.S. National Intelligence Council from 2007 to 2011. He has been a member of the Audit Committee of Power since May 2014 and previously served as a member and Chairman of the Audit Committee from May 2012 to May 2013. Mr. Ryan is also a member of the Audit Committee of Power Financial.

Ms. Wilson is Vice-Chair of the Chartered Professional Accountants of Canada, a position held since October 2021. She is the former Chief Executive Officer of Dentons Canada LLP and was a member of the global leadership team, serving on the Global Board and Global Management Committee from 2017 to 2022. Prior to this role, Ms. Wilson was an audit partner at KPMG from 2000 to 2016 and served as Managing Partner at KPMG in the Greater Toronto Area from 2009 to 2016. Between 2005 and 2016, she also served as a member of KPMG's Management Committee in various leadership positions, including Canadian Managing Partner Community Leadership, Canadian Managing Partner Regions and Enterprise with responsibility for 24 regional offices across Canada, and Chief Human Resources Officer. She is a director of several Power group companies in North America, including IGM, IG Wealth Management and Mackenzie Inc. In addition, Ms. Wilson is currently a trustee and Audit Committee Chair at The Hospital for Sick Children and a Director at The WoodGreen Foundation and Traferox Technologies Inc. She has previously been a Director and Chair of the Toronto Region Board of Trade, Director and Vice-Chair at the National Ballet of Canada, a trustee for the Ontario Science Centre, former Governor and Audit Committee Chair for Trinity College School, and a Director at Toronto CivicAction. In 2008 and 2011, Ms. Wilson was named as one of the Women's Executive Network's (WXN) Top 100 Most Powerful Women. In 2013, she was awarded the Margot Franssen Leadership Award by MicroSkills. Also in 2013, she was named one of the top 25 Canadian Women of Influence. In 2015, she received the YWCA Women of Distinction Award. Most recently, in 2022 Ms. Wilson was inducted into the WXN's Hall of Fame. She has been a member of the Audit Committee of Power since May 2022. Ms. Wilson is also a member of the Audit Committees of IGM and IG Wealth Management.

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, 2022 and December 31, 2021 to Deloitte LLP and its affiliates were, respectively, as follows:

		Power 2021	Years ended December 31	
			2022	Power Financial 2021
Audit Fees	\$1,628,000	\$1,534,000	\$717,000	\$956,000
Audit-Related Fees ^{[2] [3]}	\$114,000	\$153,000	\$12,000	\$12,000
Tax Fees ^{[2] [3]}	\$455,000	\$693,000	\$11,000	\$23,000
All Other Fees ^{[2] [3]}	–	–	–	–
TOTAL	\$2,197,000	\$2,380,000	\$740,000	\$991,000

[1] Fees payable by Great-West Lifeco are described in the section entitled "Audit Committee Information" of Great-West Lifeco's Annual Information Form and fees payable by IGM are described in the section entitled "Audit Committee" of IGM's Annual Information Form.

[2] During the financial year ended December 31, 2022, Deloitte LLP provided audit-related, tax and other services to certain subsidiary entities of the Corporation, other than Power Financial and its subsidiaries (including Great-West Lifeco and IGM), for additional fees in the amount of \$3,047,000 (2021 - \$2,131,000), \$2,634,000 (2021 - \$1,717,000) and \$151,000 (2021 - nil), respectively.

[3] During the financial year ended December 31, 2022, Deloitte LLP provided audit-related, tax and other services to certain subsidiary entities of Power Financial, other than Great-West Lifeco and IGM, for additional fees in the amount of \$1,025,000 (2021 - \$988,000), \$580,000 (2021 - \$472,000) and nil (2021 - 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 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 and tax advisory services.

ALL OTHER FEES

No other fees were paid to the auditor for the years ended December 31, 2022 and December 31, 2021.

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 14 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 15 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 16 Experts

Power's auditor is Deloitte LLP. To the knowledge of the Corporation, Deloitte LLP is independent with respect to the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

Item 17 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, 2022 and Power's MD&A, which have been filed on SEDAR.

Power Financial, Great-West Lifeco and IGM, the major direct and indirect subsidiaries of Power, are reporting issuers under Canadian securities legislation. Great-West Lifeco and IGM 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* 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.