

Consolidated Statements of Earnings (unaudited)

(in Canadian \$ millions except per share amounts)

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Insurance service result				
Insurance revenue (note 8)	\$ 5,292	\$ 5,110	\$ 15,815	\$ 15,228
Insurance service expenses	(4,099)	(3,921)	(12,223)	(11,879)
Net expense from reinsurance contracts	(413)	(401)	(1,184)	(1,158)
	780	788	2,408	2,191
Net investment result				
Net investment income (note 5)	2,249	2,271	6,998	6,433
Changes in fair value on fair value through profit or loss assets (note 5)	6,906	(5,457)	4,657	(4,553)
	9,155	(3,186)	11,655	1,880
Net finance income (expenses) from insurance contracts	(5,662)	3,287	(5,844)	348
Net finance income (expenses) from reinsurance contracts	94	(212)	(71)	(125)
Changes in investment contract liabilities	(3,189)	761	(3,933)	(835)
	398	650	1,807	1,268
Net investment result - insurance contracts on account of segregated fund policyholders				
Net investment income (loss)	2,498	(1,039)	5,417	1,596
Net finance income (expenses) from insurance contracts	(2,498)	1,039	(5,417)	(1,596)
	—	—	—	—
Other income and expenses				
Fee and other income	1,806	1,450	5,272	4,316
Operating and administrative expenses	(1,737)	(1,522)	(5,169)	(4,622)
Amortization of finite life intangible assets	(105)	(100)	(308)	(287)
Financing costs	(98)	(103)	(299)	(322)
Restructuring and integration expenses (note 4)	(23)	(38)	(118)	(83)
Earnings before income taxes	1,021	1,125	3,593	2,461
Income taxes (note 14)	131	137	529	223
Net earnings from continuing operations before non- controlling interests	890	988	3,064	2,238
Attributable to non-controlling interests	(1)	20	72	22
Net earnings from continuing operations before preferred share dividends	891	968	2,992	2,216
Preferred share dividends	32	32	97	97
Net earnings from continuing operations	859	936	2,895	2,119
Net loss from discontinued operations	—	(31)	(115)	(121)
Net gain from disposal of discontinued operations (note 3)	—	—	44	—
Net earnings - common shareholders	\$ 859	\$ 905	\$ 2,824	\$ 1,998
Earnings per common share (note 12)				
Basic	\$ 0.92	\$ 0.97	\$ 3.03	\$ 2.15
Diluted	\$ 0.92	\$ 0.97	\$ 3.02	\$ 2.14
Earnings per common share from continuing operations (note 12)				
Basic	\$ 0.92	\$ 1.01	\$ 3.10	\$ 2.28
Diluted	\$ 0.92	\$ 1.00	\$ 3.10	\$ 2.27

Consolidated Statements of Comprehensive Income *(unaudited)*

(in Canadian \$ millions)

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Net earnings - common shareholders, before preferred dividends	\$ 891	\$ 937	\$ 2,921	\$ 2,095
Other comprehensive income (loss)				
Items that may be reclassified subsequently to Consolidated Statements of Earnings				
Unrealized foreign exchange gains (losses) on translation of foreign operations	172	288	661	135
Foreign exchange translation gains reclassified to earnings on disposal of foreign operations (note 3)	—	—	(211)	—
Unrealized gains (losses) on hedges of the net investment in foreign operations	(70)	(92)	(132)	(82)
Income tax (expense) benefit	1	8	13	—
Unrealized gains (losses) on bonds and mortgages at fair value through other comprehensive income	255	(80)	221	(92)
Income tax (expense) benefit	(52)	21	(46)	(19)
Realized (gains) losses on bonds and mortgages at fair value through other comprehensive income (note 5)	1	17	39	231
Income tax expense (benefit)	—	(2)	(9)	(14)
Unrealized gains (losses) on cash flow hedges	81	16	48	86
Income tax (expense) benefit	(22)	(5)	(13)	(24)
Realized (gains) losses on cash flow hedges	(45)	(13)	(41)	(60)
Income tax expense (benefit)	12	3	11	16
Non-controlling interests	(105)	49	(116)	9
Income tax (expense) benefit	29	(15)	33	(3)
Total items that may be reclassified	257	195	458	183
Items that will not be reclassified to Consolidated Statements of Earnings				
Unrealized gains (losses) on stocks at fair value through other comprehensive income	(94)	—	(415)	—
Income tax (expense) benefit	(83)	—	—	—
Re-measurements on defined benefit pension and other post-employment benefit plans	(15)	92	243	26
Income tax (expense) benefit	3	(25)	(67)	(6)
Non-controlling interests	—	(8)	(21)	(3)
Income tax (expense) benefit	—	2	6	1
Total items that will not be reclassified	(189)	61	(254)	18
Total comprehensive income	68	256	204	201
Comprehensive income	\$ 959	\$ 1,193	\$ 3,125	\$ 2,296

Consolidated Balance Sheets *(unaudited)*

(in Canadian \$ millions)

	September 30 2024	December 31 2023
Assets		
Cash and cash equivalents	\$ 8,887	\$ 7,742
Bonds (note 5)	162,102	157,051
Mortgage loans (note 5)	39,485	38,414
Stocks (note 5)	18,470	15,733
Investment properties (note 5)	8,108	7,870
	<hr/> 237,052	<hr/> 226,810
Insurance contract assets (note 9)	1,171	1,193
Reinsurance contract held assets (note 9)	17,843	17,332
Assets held for sale (note 3)	—	4,467
Goodwill	11,160	11,249
Intangible assets	4,812	4,484
Derivative financial instruments	1,930	2,219
Owner occupied properties	761	731
Fixed assets	337	335
Accounts and interest receivable	5,607	4,863
Other assets	15,046	14,483
Current income taxes	342	260
Deferred tax assets	1,824	1,848
Investments on account of segregated fund policyholders (note 10)	481,856	422,956
Total assets	<hr/> \$ 779,741	<hr/> \$ 713,230
Liabilities		
Insurance contract liabilities (note 9)	\$ 153,349	\$ 144,388
Investment contract liabilities	87,631	88,919
Reinsurance contract held liabilities (note 9)	830	648
Liabilities held for sale (note 3)	—	2,407
Debentures and other debt instruments	9,112	9,046
Derivative financial instruments	1,516	1,288
Accounts payable	3,193	3,216
Other liabilities	9,904	9,587
Current income taxes	262	137
Deferred tax liabilities	777	787
Insurance contracts on account of segregated fund policyholders (note 9)	65,226	60,302
Investment contracts on account of segregated fund policyholders	416,630	362,654
Total liabilities	<hr/> 748,430	<hr/> 683,379
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	3,020	2,847
Non-controlling interests in subsidiaries	68	168
Shareholders' equity		
Share capital		
Limited recourse capital notes	1,500	1,500
Preferred shares	2,720	2,720
Common shares (note 11)	6,037	6,000
Accumulated surplus	16,666	15,492
Accumulated other comprehensive income	1,094	890
Contributed surplus	206	234
Total equity	<hr/> 31,311	<hr/> 29,851
Total liabilities and equity	<hr/> \$ 779,741	<hr/> \$ 713,230

Consolidated Statements of Cash Flows *(unaudited)*

(in Canadian \$ millions)

**For the nine months
ended September 30**

	2024	2023 ¹
Operations		
Earnings before income taxes	\$ 3,433	\$ 2,306
Income taxes paid, net of refunds received	(522)	(319)
Adjustments:		
Change in insurance contract liabilities	6,279	(1,706)
Change in investment contract liabilities	(2,585)	(6,425)
Change in reinsurance contract held liabilities	157	181
Change in reinsurance contract held assets	(195)	1,005
Change in insurance contract assets	40	(522)
Changes in fair value through profit or loss	(4,657)	4,553
Sales, maturities and repayments of portfolio investments	31,164	31,323
Purchases of portfolio investments	(29,701)	(28,301)
Other	(662)	990
	2,751	3,085
Financing Activities		
Issue of common shares	54	106
Purchased and cancelled common shares	(115)	(171)
Repayment of euro denominated debt	—	(735)
Decrease in line of credit of subsidiaries	(60)	(602)
Dividends paid on common shares	(1,552)	(1,453)
Dividends paid on preferred shares	(97)	(97)
	(1,770)	(2,952)
Investment Activities		
Impact from sale of discontinued operations	(211)	—
Investment in associates and joint ventures	(116)	(123)
Business acquisitions, net of cash and cash equivalents acquired	(76)	(8)
	(403)	(131)
Effect of changes in exchange rates on cash and cash equivalents	192	34
Increase in cash and cash equivalents	770	36
Cash and cash equivalents from continuing and discontinued operations, beginning of year	8,117	7,290
Cash and cash equivalents from continuing and discontinued operations, end of period	\$ 8,887	\$ 7,326
Less: Cash and cash equivalents from discontinued operations, end of period	—	348
Cash and cash equivalents from continuing operations, end of period	\$ 8,887	\$ 6,978
Supplementary cash flow information		
Interest income received	\$ 5,649	\$ 5,360
Interest paid	246	286
Dividend income received	363	301

¹ The Company has reclassified certain comparative figures to conform to the current period's presentation. These classifications had no impact on the equity or net earnings of the Company.

(in Canadian \$ millions except per share amounts and where otherwise indicated)

1. Corporate Information

Great-West Lifeco Inc. (Lifeco or the Company) is a publicly listed company (Toronto Stock Exchange: GWO), incorporated and domiciled in Canada. The registered address of the Company is 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

Lifeco is a financial services holding company with interests in the life insurance, health insurance, retirement savings, wealth and asset management, and reinsurance businesses, primarily in Canada, the United States and Europe through its operating subsidiaries including The Canada Life Assurance Company (Canada Life) and Empower Annuity Insurance Company of America (Empower).

The condensed consolidated interim unaudited financial statements (financial statements) of the Company as at and for the three and nine months ended September 30, 2024 were approved by the Board of Directors on November 6, 2024.

2. Basis of Presentation and Summary of Material Accounting Policies

These financial statements should be read in conjunction with the Company's December 31, 2023 consolidated annual audited financial statements and notes thereto.

The financial statements of the Company at September 30, 2024 have been prepared in compliance with the requirements of International Accounting Standard (IAS) 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) using the same accounting policies and methods of computation followed in the consolidated annual audited financial statements for the year ended December 31, 2023 except as described below.

Changes in Accounting Policies

The Company adopted the amendments to International Financial Reporting Standards (IFRS) for IAS 7, *Statement of Cash Flows*, IFRS 7, *Financial Instruments: Disclosures*, and IFRS 16, *Leases* effective January 1, 2024. The adoption of these amendments did not have a material impact on the Company's financial statements.

Use of Significant Judgments, Estimates and Assumptions

In preparation of these financial statements, management is required to make significant judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, net earnings and related disclosures. Although some uncertainty is inherent in these judgments and estimates, management believes that the amounts recorded are reasonable. Key sources of estimation uncertainty and areas where significant judgments have been made are further described in the relevant accounting policies as described in note 2 of the Company's December 31, 2023 consolidated annual audited financial statements and notes thereto.

Future Accounting Policies

The Company actively monitors changes in IFRS, both proposed and released, by the IASB for potential impact on the Company. The following sets out standards released and updates to the Company’s analysis since the year ended December 31, 2023:

New Standard	Summary of Future Changes
IFRS 18 – <i>Presentation and Disclosure in Financial Statements</i>	<p>In April 2024, the IASB published IFRS 18, <i>Presentation and Disclosure in Financial Statements</i> (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.</p> <p>IFRS 18 will require companies to:</p> <ul style="list-style-type: none"> • Provide defined subtotals in the statement of earnings; • Disclose information for any management-defined performance measures related to the statement of earnings; and • Implement principles for the grouping of information in the financial statements, and whether to provide it in the primary financial statements or notes. <p>The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Company is evaluating the impact of the adoption of this standard.</p>
IFRS 9 – <i>Financial Instruments</i> and IFRS 7 – <i>Financial Instruments: Disclosures</i>	<p>In May 2024, the IASB published amendments to IFRS 9, <i>Financial Instruments</i> and IFRS 7, <i>Financial Instruments: Disclosures</i>. The amendments clarify the classification of financial assets with environmental, social and corporate governance and similar features, the settlement of liabilities through electronic payment systems, and introduce additional disclosure requirements to enhance transparency for investors.</p> <p>These amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Company is evaluating the impact of the adoption of these amendments.</p>

3. Business Acquisitions and Other Transactions

(a) Sale of Putnam US Holdings I, LLC (Putnam Investments)

On January 1, 2024, the Company completed the sale of Putnam Investments to Franklin Resources, Inc., operating as Franklin Templeton, in exchange for Franklin Templeton common shares, cash, and contingent consideration of up to U.S. \$375 over a five to seven-year period. The Company has retained its controlling interest in PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc. (collectively PanAgora), a quantitative asset manager, and certain assets, including deferred tax assets, related to Putnam Investments. The Company currently holds approximately 31,600,000 Franklin Templeton common shares and will hold a majority of these shares for a minimum five-year period.

In the 2023 financial statements, the net earnings (loss) and cash flows of Putnam Investments were classified as discontinued operations within the United States operating segment, and the related assets and liabilities were classified as held for sale. Financial information relating to the sale of the discontinued operation is set out below, reflecting total estimated fair value of consideration of \$1,909. Included in the results for the nine months ended September 30, 2024 are \$115 of closing costs and final adjustments to the carrying value, resulting in a net gain on sale of \$44 after-tax.

Details of the Sale of Putnam Investments

	January 1, 2024
Consideration received or receivable	
Fair value of Franklin Templeton Common Shares (U.S. \$29.79 per share)	\$ 1,321
Net cash and other deferred and contingent consideration	588
Non-controlling interest in sale of Putnam Investments	(123)
Total net proceeds on disposal of Putnam Investments	\$ 1,786
Net carrying value of net assets sold	
Carrying value	\$ 2,010
Foreign exchange translation gains reclassified to earnings on disposal of foreign operations	(211)
Net carrying value of discontinued operations	\$ 1,799
	\$ (13)
Income tax recovery	57
Net gain on sale after income tax	\$ 44

(b) Acquisition of Investment Planning Counsel

On November 30, 2023, Canada Life completed the acquisition of 100% of the equity of Investment Planning Counsel Inc., an independent wealth management firm, from IGM Financial Inc. (IGM) for total purchase consideration of \$585. The acquisition extends Canada Life's wealth management reach and capabilities. IGM is an affiliated company and a member of the Power Corporation group of companies. Therefore, the transaction was reviewed and approved by the Conduct Review Committee of each of the Company and Canada Life.

During the third quarter of 2024, the Company completed its comprehensive valuation of the fair value of the net assets acquired, and the purchase price allocation.

Initial goodwill presented in the Company's December 31, 2023 consolidated annual audited financial statements of \$583 was adjusted upon completion of the purchase price allocation. Adjustments were made to the provisional amounts disclosed in the Company's December 31, 2023 consolidated annual audited financial statements, mainly due to the recognition and measurement of intangible assets. Intangible assets recognized include customer contracts of \$230, which have accumulated amortization of \$6 as at September 30, 2024.

Comparative information in the Company's consolidated financial statements has not been restated.

The Company determined the fair value of the intangible assets using the valuation techniques that incorporate projections of discounted cash flows by applying judgments and estimates for customer retention, forecasted revenues, earnings and discount rates.

The amounts assigned to the assets acquired, goodwill, and liabilities assumed on November 30, 2023, reported as at September 30, 2024 are as follows:

Assets acquired and goodwill	
Cash	\$ 31
Goodwill	371
Intangible assets	230
Fixed assets	3
Accounts receivable	33
Other assets	279
Current income taxes	1
Total assets acquired and goodwill	\$ 948
Liabilities assumed	
Accounts payable	\$ 38
Other liabilities	294
Current income taxes	1
Deferred tax liabilities	30
Total liabilities assumed	\$ 363

The following provides the change in the carrying value of goodwill from December 31, 2023 to September 30, 2024:

Goodwill previously reported at December 31, 2023	\$ 583
Recognition and measurement of intangible assets	(230)
Recognition of deferred tax liabilities on intangible assets and other measurement period adjustments	18
Goodwill reported at September 30, 2024	\$ 371

(c) Acquisition of Value Partners

On September 8, 2023, Canada Life completed the acquisition of 100% of the equity of Value Partners Group Inc., a Winnipeg based investment firm that serves clients with complex and sophisticated wealth needs.

During the third quarter of 2024, the comprehensive valuation of the fair value of the net assets acquired including intangible assets and the final purchase price allocation was completed. As a result, initial goodwill presented in the December 31, 2023 consolidated annual audited financial statements of \$119 recognized upon the acquisition was adjusted to \$68, mainly due to the recognition and measurement of intangible assets. Comparative information in the Company's consolidated financial statements has not been restated.

(d) Strategic Relationship with Power Sustainable

On May 6, 2024, the Company announced that it had agreed to enter into a long-term strategic partnership with Power Sustainable Manager Inc. (Power Sustainable), a climate-focused investment manager and a subsidiary of Power Corporation. Under the transaction, the Company became a minority shareholder in Power Sustainable, with an ownership share of slightly below 20% on a fully diluted basis, and has agreed to invest in certain funds across Power Sustainable's investment strategies in the future. Power Corporation remains the controlling shareholder of Power Sustainable. Power Sustainable is a related party, therefore the transaction was reviewed and approved by the Company's Conduct Review Committee. The investment in Power Sustainable is not material to the Company.

4. Restructuring and Integration Expenses

(a) Canada Restructuring

The Company recorded a restructuring provision of nil and \$23 in Canada for the three and nine months ended September 30, 2024, respectively (\$21 in the shareholder account and \$2 in the participating account for the nine months ended September 30, 2024). The restructuring is related to the transitioning of some of the information technology operations functions to a managed service arrangement with an external provider. As at September 30, 2024, the Company has a provision of \$9 remaining in other liabilities related to this restructuring. The Company expects to utilize a significant portion of these amounts during 2024.

(b) Empower Restructuring and Integration

The Company recorded a restructuring provision of nil and \$29 in the United States for the three and nine months ended September 30, 2024, respectively (nil and \$5 for the three and nine months ended September 30, 2023, respectively). As at September 30, 2024, the Company has a provision of \$11 remaining in other liabilities related to this restructuring (\$7 at December 31, 2023). The Company expects to pay out a significant portion of these amounts during the year. The restructuring is primarily attributable to staff reductions and other exit costs related to the Company's acquisition of the retirement services businesses of Massachusetts Mutual Life Insurance Company and Prudential Financial, Inc. (Prudential). The Company does not expect to incur further restructuring and integration expenses associated with the Prudential acquisition during the year.

The Company recorded integration expenses in the Consolidated Statements of Earnings of nil and \$43 for the three and nine months ended September 30, 2024, respectively (\$17 and \$66 for the three and nine months ended September 30, 2023, respectively).

(c) Europe Restructuring

During the third quarter of 2024, the Company recorded a restructuring provision of \$23 within restructuring and integration expenses in the Consolidated Statements of Earnings in the Europe operating segment. At September 30, 2024, the Company has a restructuring provision of \$107 remaining in other liabilities (\$106 at December 31, 2023). The restructuring relates to provisions for staff reductions as well as other business transformation initiatives as disclosed in the Company's December 31, 2023 consolidated annual audited financial statements.

5. Portfolio Investments

(a) Carrying Values and Estimated Fair Values of Portfolio Investments are as Follows:

	September 30, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Bonds				
Fair value through profit or loss (FVTPL) - designated	\$ 148,052	\$ 148,052	\$ 143,506	\$ 143,506
FVTPL - mandatory	1,851	1,851	1,795	1,795
Fair value through other comprehensive income (FVOCI)	12,199	12,199	11,750	11,750
	162,102	162,102	157,051	157,051
Mortgage loans				
FVTPL - designated	29,352	29,352	29,211	29,211
FVTPL - mandatory	4,865	4,865	4,203	4,203
FVOCI	580	580	578	578
Amortized cost	4,688	4,162	4,422	3,923
	39,485	38,959	38,414	37,915
Stocks				
FVTPL - mandatory	16,629	16,629	14,890	14,890
FVOCI - designated ¹	858	858	—	—
Equity method	983	952	843	777
	18,470	18,439	15,733	15,667
Investment properties				
	8,108	8,108	7,870	7,870
Total	\$ 228,165	\$ 227,608	\$ 219,068	\$ 218,503

¹ Represents Franklin Templeton common shares received on the sale of Putnam Investments.

(b) Net Investment Income Comprises the Following:

For the three months ended September 30, 2024	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	\$ 1,725	\$ 379	\$ 144	\$ 128	\$ (24)	\$ 2,352
Net realized losses on derecognition of FVOCI assets	(1)	—	—	—	—	(1)
Gains on derecognition of amortized cost assets	—	—	—	—	—	—
Net expected credit loss (ECL) recovery	—	3	—	—	—	3
Other income and expenses	—	—	—	(52)	(53)	(105)
	1,724	382	144	76	(77)	2,249
Changes in fair value on FVTPL assets:						
FVTPL - designated	4,428	773	—	—	585	5,786
FVTPL - mandatory	—	128	1,016	—	—	1,144
Recorded at fair value	—	—	—	(24)	—	(24)
	4,428	901	1,016	(24)	585	6,906
Total	\$ 6,152	\$ 1,283	\$ 1,160	\$ 52	\$ 508	\$ 9,155

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

For the three months ended September 30, 2023	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	\$ 1,651	\$ 364	\$ 107	\$ 126	\$ 137	\$ 2,385
Net realized losses on derecognition of FVOCI assets	(17)	—	—	—	—	(17)
Gains on derecognition of amortized cost assets	—	—	—	—	—	—
Net ECL (charge) recovery	—	(10)	—	—	—	(10)
Other income and expenses	—	—	—	(45)	(42)	(87)
	1,634	354	107	81	95	2,271
Changes in fair value on FVTPL assets:						
FVTPL - designated	(3,859)	(325)	—	—	(805)	(4,989)
FVTPL - mandatory	—	(61)	(254)	—	—	(315)
Recorded at fair value	—	—	—	(153)	—	(153)
	(3,859)	(386)	(254)	(153)	(805)	(5,457)
Total	\$ (2,225)	\$ (32)	\$ (147)	\$ (72)	\$ (710)	\$ (3,186)

For the nine months ended September 30, 2024	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	\$ 5,148	\$ 1,126	\$ 477	\$ 379	\$ 197	\$ 7,327
Net realized losses on derecognition of FVOCI assets	(39)	—	—	—	—	(39)
Gains on derecognition of amortized cost assets	—	1	—	—	—	1
Net ECL recovery	—	7	—	—	—	7
Other income and expenses	—	—	—	(146)	(152)	(298)
	5,109	1,134	477	233	45	6,998
Changes in fair value on FVTPL assets:						
FVTPL - designated	1,794	890	—	—	471	3,155
FVTPL - mandatory	(3)	93	1,524	—	—	1,614
Recorded at fair value	—	—	—	(112)	—	(112)
	1,791	983	1,524	(112)	471	4,657
Total	\$ 6,900	\$ 2,117	\$ 2,001	\$ 121	\$ 516	\$ 11,655

For the nine months ended September 30, 2023	Bonds	Mortgage loans	Stocks	Investment properties	Other	Total
Net investment income:						
Investment income earned	\$ 4,927	\$ 1,061	\$ 351	\$ 377	\$ 218	\$ 6,934
Net realized losses on derecognition of FVOCI assets	(231)	—	—	—	—	(231)
Gains on derecognition of amortized cost assets	—	8	—	—	—	8
Net ECL (charge) recovery	(1)	(8)	—	—	—	(9)
Other income and expenses	—	—	—	(144)	(125)	(269)
	4,695	1,061	351	233	93	6,433
Changes in fair value on FVTPL assets:						
FVTPL - designated	(3,347)	(358)	—	—	(464)	(4,169)
FVTPL - mandatory	—	(161)	142	—	—	(19)
Recorded at fair value	—	—	—	(365)	—	(365)
	(3,347)	(519)	142	(365)	(464)	(4,553)
Total	\$ 1,348	\$ 542	\$ 493	\$ (132)	\$ (371)	\$ 1,880

Investment income from bonds and mortgages includes interest income, and premium and discount amortization. Investment income from stocks includes dividends, distributions from private equity and equity income from the investment in IGM. Investment properties income includes rental income earned on investment properties, ground rent income earned on leased and sub-leased land, fee recoveries, lease cancellation income, and interest and other investment income earned on investment properties. Other investment income includes foreign exchange gains and losses, income earned from derivative financial instruments and other miscellaneous income.

6. Risk Management

The Company has policies relating to the identification, measurement, management, monitoring and reporting of risks associated with financial instruments and insurance contracts. The key risks related to financial instruments are credit risk, liquidity risk and market risk (currency, interest rate and equity). The Risk Committee of the Board of Directors is responsible for the oversight of the Company's key risks. The Company's approach to risk management has not substantially changed from that described in the Company's 2023 Annual Report. Certain risks have been outlined below. For a discussion of the Company's risk governance structure and risk management approach see the "Risk Management" note in the Company's December 31, 2023 consolidated annual audited financial statements.

The Company has also established policies and procedures designed to identify, measure and report all material risks. Management is responsible for establishing capital management procedures for implementing and monitoring the capital plan. The Board of Directors reviews and approves all capital transactions undertaken by management.

(a) Credit Risk

Credit risk is the risk of loss resulting from an obligor's potential inability or unwillingness to fully meet its contractual obligations.

(i) Concentration of Credit Risk

Concentrations of credit risk arise from exposures to a single obligor, a group of related obligors or groups of obligors that have similar credit risk characteristics and operate in the same geographic region or in similar industries. The characteristics are similar in that changes in economic or political environments may impact their ability to meet obligations as they come due. No significant changes have occurred from the year ended December 31, 2023.

(ii) Expected Credit Losses

The majority of the Company's financial assets are measured at FVTPL and therefore are not subject to the ECL model. The ECL model only applies to FVOCI and amortized cost fixed income investments. The ECL allowance was \$33 at September 30, 2024, of which \$5 was Stage 1, \$24 was Stage 2 and \$4 was Stage 3 (\$37 at December 31, 2023, of which \$4 was Stage 1, \$29 was Stage 2 and \$4 was Stage 3).

(iii) Credit Impact on Financial Assets Designated as FVTPL

The carrying value of the Company's portfolio investments designated as FVTPL represents the maximum exposure to credit risk for those assets. The change in fair value attributable to the change in credit risk of these assets is generally insignificant in the absence of significant credit events occurring on specific assets. Fair value losses of \$22 and \$46 for the three and nine months ended September 30, 2024, respectively (nil and \$17 for the three and nine months ended September 30, 2023, respectively) are reflected in changes in fair value on FVTPL assets in the Consolidated Statements of Earnings related to significant credit events occurring on assets designated at FVTPL.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet all cash outflow obligations as they come due. The following policies and procedures are in place to manage this risk:

- The Company closely manages operating liquidity through cash flow matching of assets and liabilities and forecasting earned and required yields, to ensure consistency between policyholder requirements and the yield of assets.
- Management closely monitors the solvency and capital positions of its principal subsidiaries opposite liquidity requirements at the holding company. Additional liquidity is available through established lines of credit or via capital market transactions. The Company maintains committed lines of credit with Canadian chartered banks.

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument and the value of insurance and investment contract liabilities will fluctuate as a result of changes in market factors which include three types: currency risk, interest rate (including related inflation) risk and equity risk.

Caution Related to Risk Sensitivities

These financial statements include estimates of sensitivities and risk exposure measures for certain risks, such as the sensitivity due to specific changes in interest rate levels projected and market prices as at the valuation date. Actual results can differ significantly from these estimates for a variety of reasons including, but not limited to, changes in the Company's asset or liability profile, changes in business mix, effective income tax rates, other market factors, differences in the actual exposure relative to broad market indices, variation in exposures by geography, and general limitations of the Company's internal models.

For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors. Given the nature of these calculations, the Company cannot provide assurance that the actual impact on shareholders' net earnings will be as indicated.

(i) Currency Risk

Currency risk relates to the Company operating and holding financial instruments in different currencies. For the assets backing insurance and investment contract liabilities that are not matched by currency, changes in foreign exchange rates can expose the Company to the risk of foreign exchange losses not offset by liability decreases.

- A 10% weakening of the Canadian dollar against foreign currencies would be expected to increase non-participating insurance and investment contract liabilities and their supporting assets by approximately the same amount resulting in an immaterial immediate change to net earnings. A 10% strengthening of the Canadian dollar against foreign currencies would be expected to decrease non-participating insurance and investment contract liabilities and their supporting assets by approximately the same amount resulting in an immaterial immediate change in shareholders' net earnings.

The Company has net investments in foreign operations. The Company's debt obligations are denominated in Canadian dollars, euros, and U.S. dollars. In accordance with IFRS, foreign currency translation gains and losses from net investments in foreign operations, net of related hedging activities and tax effects, are recorded in accumulated other comprehensive income. Strengthening or weakening of the Canadian dollar spot rate compared to the U.S. dollar, British pound and euro spot rates impacts the Company's total equity. Correspondingly, the Company's book value per share and capital ratios monitored by rating agencies are also impacted.

(ii) Interest Rate Risk

Interest rate risk exists if asset and liability cash flows are not closely matched and interest rates change, causing a difference in the value of assets and the value of liabilities. The following policies and procedures are in place to mitigate the Company's exposure to interest rate risk:

- Interest rate risk is managed by investing in assets that are suitable for the products sold.
- The Company utilizes a formal process for managing the matching of assets and liabilities. This involves grouping general fund assets and liabilities into segments. Assets in each segment are managed in relation to the liabilities in the segment.
- For products with fixed and highly predictable benefit payments, investments are generally made in fixed income assets or investment properties whose cash flows closely match the liability product cash flows. Where assets are not available to match certain period cash flows, such as long-tail cash flows, a portion of these are invested in equities and other non-fixed income assets, while the rest are duration matched.
- Hedging instruments are employed when there is a lack of suitable permanent investments or to manage the level of loss exposure to interest rate changes.
- To the extent asset and liability cash flows are matched, protection against interest rate change is achieved and any change in the fair value of the assets will be offset by a similar change in the fair value of the liabilities.
- For products with less predictable timing of benefit payments, investments are made in fixed income assets with cash flows of a shorter duration than the anticipated timing of benefit payments, or equities and other non-fixed income assets.
- The risk associated with the mismatch in portfolio duration and cash flow, asset prepayment exposure and the pace of asset acquisition are quantified and reviewed regularly.

The impact to shareholders' net earnings from changes in the interest rates would be largely offset by changes in the value of financial assets supporting the liabilities. However, differences in the interest rate sensitivity in the value of assets and the value of insurance and investment contract liabilities leads to a sensitivity to interest rate movements in shareholders' net earnings under IFRS 17, *Insurance Contracts* (IFRS 17) and IFRS 9, *Financial Instruments* (IFRS 9).

The Company's asset liability management strategy uses public equities and other non-fixed income assets as a component of general fund assets supporting liabilities, which leads to interest rate exposure in the net earnings. Further, the classification of

financial assets under IFRS 9, such as mortgage assets in the United Kingdom which are carried at amortized cost and held in the general fund assets supporting liabilities, also contributes to interest rate exposure in shareholders' net earnings.

The impact to shareholders' net earnings and equity from an immediate parallel 50 basis point increase or decrease in interest rates is illustrated in the table below, rounded to the nearest \$25:

Change in Market Yield Curves

	September 30, 2024		December 31, 2023	
	Increase 50 basis points interest rates	Decrease 50 basis points interest rates	Increase 50 basis points interest rates	Decrease 50 basis points interest rates
Shareholders' net earnings	\$ 150	\$ (175)	\$ 175	\$ (225)
Shareholders' equity	100	(150)	150	(225)

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

Actual impacts of interest rate changes will vary depending upon the geography where the changes occur. Net earnings are positively impacted by a parallel increase in interest rates in Canada, United States and the United Kingdom, and are positively impacted by a parallel decrease in interest rates in the eurozone. Actual impacts of interest rate changes also vary by the level of change in interest rates by term. Therefore, actual impacts from interest rate changes may differ from the estimated impact of parallel movements in all geographies, which is presented above.

The potential impact on shareholders' net earnings of the Company does not take into account any future potential changes to the Company's ultimate investment rate (UIR) assumptions. As at both September 30, 2024 and December 31, 2023, the sensitivity of shareholders' net earnings of the Company to a 10 basis point increase or decrease in the UIR in all geographies would be an increase of \$25 or a decrease of \$25 post-tax, respectively.

The impact to shareholders' net earnings and equity from an immediate parallel 50 basis point increase or decrease in credit spreads is illustrated in the table below, rounded to the nearest \$25, with no change to the ultimate illiquidity premium:

Change in Credit Spreads

	September 30, 2024		December 31, 2023	
	Increase 50 basis points credit spreads	Decrease 50 basis points credit spreads	Increase 50 basis points interest rates	Decrease 50 basis points interest rates
Shareholders' net earnings	\$ 225	\$ (250)	\$ 300	\$ (375)
Shareholders' equity	275	(325)	350	(450)

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

Actual impacts of credit spread changes will vary depending on the geographies where the changes occur, and the changes in credit spreads by term. A change in credit spreads may also lead to a change in the allowance for credit risk within the IFRS 17 discount rate, depending on prevailing market and credit conditions at the time; any potential earnings impacts that may arise from such a change are not reflected in the sensitivities above.

(iii) Equity Risk

Equity risk is the uncertainty associated with the valuation of assets and liabilities arising from changes in equity markets and other pricing risk. To mitigate this risk, the Company has investment policy guidelines in place that provide for prudent investment in equity markets within clearly defined limits. The risks associated with segregated fund guarantees on lifetime Guaranteed Minimum Withdrawal Benefits have been mitigated through a hedging program using equity futures, currency forwards, and interest rate derivatives.

Some insurance and investment contract liabilities with long-tail cash flows are supported by publicly traded common stocks and investments in other non-fixed income assets, primarily comprised of investment properties, real estate funds, private stocks, and equity release mortgages. Shareholders' net earnings will reflect changes in the values of non-fixed income assets. However, in most cases the value of the liabilities will not fluctuate with changes in the value of the non-fixed income assets.

The liabilities for segregated fund products with guarantees will fluctuate with changes in the value of the non-fixed income assets. Under current market conditions, there are no earnings impacts to the Company on segregated fund business that it does not hedge, as changes in the cost of guarantees are fully offset within the contractual service margin (CSM). For

segregated fund business that the Company hedges, there is a limited earnings impact with respect to the change in liability versus the change in hedge assets.

On January 1, 2024, the Company completed the sale of Putnam Investments and currently holds approximately 31,600,000 Franklin Templeton common shares as part of the consideration, which are classified as FVOCI. The Company will hold a majority of these shares for a minimum five-year period.

The following table provides information on the expected impacts of an immediate 10% or 20% increase or decrease in the value of publicly traded common stocks on the shareholders' net earnings and equity, rounded to the nearest \$25:

Change in Publicly Traded Common Stock Values

	September 30, 2024 ¹				December 31, 2023			
	20% increase	10% increase	10% decrease	20% decrease	20% increase	10% increase	10% decrease	20% decrease
Shareholders' net earnings	\$ 125	\$ 50	\$ (50)	\$ (125)	\$ 225	\$ 100	\$ (100)	\$ (225)
Shareholders' equity	550	275	(275)	(550)	525	250	(250)	(525)

¹ The net impact of the sale of Putnam Investments and the receipt of Franklin Templeton common shares is reflected in the September 30, 2024 values in the table above. The Franklin Templeton common shares are measured at FVOCI and therefore unrealized gains and losses do not impact shareholders' net earnings. The after-tax impact on shareholders' equity of the Franklin Templeton common shares is approximately \$70 for every 10% change in the common stock equity value.

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

The following table provides information on the expected impacts of an immediate 5% or 10% increase or decrease in the value of other non-fixed income assets on the shareholders' net earnings and equity, rounded to the nearest \$25:

Change in Other Non-Fixed Income Asset Values

	September 30, 2024				December 31, 2023			
	10% increase	5% increase	5% decrease	10% decrease	10% increase	5% increase	5% decrease	10% decrease
Shareholders' net earnings	\$ 450	\$ 225	\$ (225)	\$ (475)	\$ 400	\$ 200	\$ (200)	\$ (425)
Shareholders' equity	475	225	(250)	(500)	450	225	(225)	(450)

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

7. Fair Value Measurement

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

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Assets and liabilities utilizing Level 1 inputs include actively exchange-traded equity securities, exchange-traded futures, and mutual and segregated funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, government and agency securities, restricted stock, some private bonds and investment funds, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans. Investment contracts that are measured at FVTPL are mostly included in the Level 2 category.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities

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utilizing Level 3 inputs generally include certain bonds, certain asset-backed securities, some private equities, investments in mutual and segregated funds where there are redemption restrictions, certain over-the-counter derivatives, investment properties and equity release mortgages.

The following presents the Company's assets and liabilities measured at fair value on a recurring basis by hierarchy level:

Assets measured at fair value	September 30, 2024				December 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 8,887	\$ —	\$ —	\$ 8,887	\$ 7,742	\$ —	\$ —	\$ 7,742
Financial assets at FVTPL								
Bonds	—	149,726	177	149,903	—	145,049	252	145,301
Mortgage loans	—	29,353	4,864	34,217	—	29,211	4,203	33,414
Stocks	11,549	232	4,848	16,629	10,863	218	3,809	14,890
Total financial assets at FVTPL	11,549	179,311	9,889	200,749	10,863	174,478	8,264	193,605
Financial assets at FVOCI								
Bonds	—	12,199	—	12,199	—	11,750	—	11,750
Mortgage loans	—	580	—	580	—	578	—	578
Stocks	858	—	—	858	—	—	—	—
Total financial assets at FVOCI	858	12,779	—	13,637	—	12,328	—	12,328
Investment properties	—	—	8,108	8,108	—	—	7,870	7,870
Derivatives ¹	—	1,930	—	1,930	1	2,218	—	2,219
Assets held for sale ²	—	—	—	—	614	1,006	907	2,527
Other assets:								
Trading account assets	242	3,202	—	3,444	242	2,796	—	3,038
Other ³	—	204	—	204	—	443	—	443
Total assets measured at fair value	\$ 21,536	\$ 197,426	\$ 17,997	\$ 236,959	\$ 19,462	\$ 193,269	\$ 17,041	\$ 229,772
Liabilities measured at fair value								
Derivatives ⁴	\$ 6	\$ 1,510	\$ —	\$ 1,516	\$ 5	\$ 1,283	\$ —	\$ 1,288
Investment contract liabilities	—	87,631	—	87,631	—	88,919	—	88,919
Other liabilities	—	204	—	204	—	443	—	443
Total liabilities measured at fair value	\$ 6	\$ 89,345	\$ —	\$ 89,351	\$ 5	\$ 90,645	\$ —	\$ 90,650

¹ Excludes collateral received from counterparties of \$950 at September 30, 2024 (\$1,346 at December 31, 2023).

² Assets held for sale measured at fair value includes cash of \$375, stocks of \$46 and trading account assets of \$2,106 as at December 31, 2023.

³ Includes collateral received under securities lending arrangements.

⁴ Excludes collateral pledged to counterparties of \$850 at September 30, 2024 (\$247 at December 31, 2023).

There were no transfers of the Company's assets and liabilities between Level 1 and Level 2 during the period ended September 30, 2024 and the year ended December 31, 2023.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

The following presents additional information about assets and liabilities measured at fair value on a recurring basis and for which the Company has utilized Level 3 inputs to determine fair value:

	For the nine months ended September 30, 2024						
	FVTPL bonds	FVTPL mortgage loans	FVTPL stocks ⁴	Investment properties	Trading account assets	Assets held for sale	Total Level 3 assets
Balance, beginning of year	\$ 252	\$ 4,203	\$ 3,809	\$ 7,870	\$ —	\$ 907	\$ 17,041
Total gains (losses)							
Included in net earnings	(4)	304	288	(112)	—	—	476
Included in other comprehensive income ¹	—	170	20	178	—	—	368
Purchases	21	—	947	287	—	—	1,255
Sale of discontinued operations	—	—	—	—	—	(907)	(907)
Issues	—	343	—	—	—	—	343
Sales	(21)	—	(216)	(106)	—	—	(343)
Settlements	—	(156)	—	—	—	—	(156)
Transferred to owner occupied properties	—	—	—	(9)	—	—	(9)
Other	—	—	—	—	—	—	—
Transfers into Level 3 ³	—	—	—	—	—	—	—
Transfers out of Level 3 ³	(71)	—	—	—	—	—	(71)
Balance, end of period	\$ 177	\$ 4,864	\$ 4,848	\$ 8,108	\$ —	\$ —	\$ 17,997
Total gains (losses) for the period included in net investment result	\$ (4)	\$ 304	\$ 288	\$ (112)	\$ —	\$ —	\$ 476
Change in unrealized gains (losses) for the period included in net earnings for assets held at September 30, 2024	\$ (4)	\$ 294	\$ 292	\$ (113)	\$ —	\$ —	\$ 469
	For the year ended December 31, 2023						
	FVTPL bonds	FVTPL mortgage loans	FVTPL stocks ⁴	Investment properties	Trading account assets	Assets held for sale	Total Level 3 assets
Balance, beginning of year	\$ 195	\$ 3,371	\$ 3,029	\$ 8,344	\$ 940	\$ —	\$ 15,879
Total gains (losses)							
Included in net earnings	6	345	148	(507)	(12)	25	5
Included in other comprehensive income ¹	—	52	(12)	53	—	(14)	79
Purchases	68	—	948	191	23	12	1,242
Issues	—	569	—	—	—	—	569
Sales	(17)	—	(304)	(211)	—	(67)	(599)
Settlements	—	(134)	—	—	—	—	(134)
Other ²	—	—	—	—	(951)	951	—
Transfers into Level 3 ³	—	—	—	—	—	—	—
Transfers out of Level 3 ³	—	—	—	—	—	—	—
Balance, end of year	\$ 252	\$ 4,203	\$ 3,809	\$ 7,870	\$ —	\$ 907	\$ 17,041
Total gains (losses) for the year included in net investment result	\$ 6	\$ 345	\$ 148	\$ (507)	\$ (12)	\$ 25	\$ 5
Change in unrealized gains (losses) for the year included in earnings for assets held at December 31, 2023	\$ 6	\$ 334	\$ 148	\$ (499)	\$ —	\$ 25	\$ 14

¹ Amount of other comprehensive income for FVTPL bonds, mortgage loans and investment properties represents the unrealized gains (losses) on foreign exchange.

² Represents amounts reclassified to assets held for sale as a result of the agreement to sell Putnam Investments (note 3).

³ Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies or the placement of redemption restrictions on investments in mutual and segregated funds. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors or the lifting of redemption restrictions on investments in mutual and segregated funds.

⁴ Includes investments in mutual and segregated funds where there are redemption restrictions. The fair value is based on observable, quoted prices.

The following sets out information about significant unobservable inputs used at period-end in measuring assets and liabilities categorized as Level 3 in the fair value hierarchy:

Type of asset	Valuation approach	Significant unobservable input	Input value	Inter-relationship between key unobservable inputs and fair value measurement
Investment properties	Investment property valuations are generally determined using property valuation models based on expected capitalization rates and models that discount expected future net cash flows. The determination of the fair value of investment property requires the use of estimates such as future cash flows (such as future leasing assumptions, rental rates, capital and operating expenditures) and discount, reversionary and overall capitalization rates applicable to the asset based on current market rates.	Discount rate	Range of 4.2% - 12.4%	A decrease in the discount rate would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.
		Reversionary rate	Range of 4.3% - 8.0%	A decrease in the reversionary rate would result in an increase in fair value. An increase in the reversionary rate would result in a decrease in fair value.
		Vacancy rate	Weighted average of 5.1%	A decrease in the expected vacancy rate would generally result in an increase in fair value. An increase in the expected vacancy rate would generally result in a decrease in fair value.
Mortgage loans - equity release mortgages (FVTPL)	The valuation approach for equity release mortgages is to use an internal valuation model to determine the projected asset cash flows, including the cost of the no negative equity guarantee for each individual loan, to aggregate these across all loans and to discount those cash flows back to the valuation date. The projection is done monthly until expected redemption of the loan either voluntarily or on the death/entering into long term care of the loanholders.	Discount rate	Range of 4.4% - 6.1%	A decrease in the discount rate would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.
Stocks	The determination of the fair value of stocks requires the use of estimates such as future cash flows, discount rates, projected earnings multiples, or recent transactions.	Discount rate	Various	A decrease in the discount rate would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.

8. Insurance Revenue

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Contracts not measured under the premium allocation approach (PAA)				
Amounts relating to changes in liabilities for remaining coverage				
Experience adjustments	\$ (17)	\$ (16)	\$ (48)	\$ (77)
CSM recognized for services provided	321	299	943	922
Change in risk adjustment for non-financial risk for risk expired	168	163	474	464
Expected incurred claims and other insurance service expenses	2,396	2,295	7,095	6,831
Recovery of insurance acquisition cash flows	148	139	436	415
	3,016	2,880	8,900	8,555
Contracts measured under the PAA	2,276	2,230	6,915	6,673
Total insurance revenue	\$ 5,292	\$ 5,110	\$ 15,815	\$ 15,228

9. Insurance Contracts and Reinsurance Contracts Held

(a) Insurance Contract (Assets) / Liabilities

		September 30, 2024				
		Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total	
Assets	\$ (4,510)	\$ 588	\$ 2,823	\$ (72)	\$ (1,171)	
Liabilities	121,272	6,319	11,807	13,951	153,349	
Liabilities on account of segregated fund policyholders	65,226	—	—	—	65,226	
	<u>\$ 181,988</u>	<u>\$ 6,907</u>	<u>\$ 14,630</u>	<u>\$ 13,879</u>	<u>\$ 217,404</u>	
		December 31, 2023				
		Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total	
Assets	\$ (6,560)	\$ 1,654	\$ 3,796	\$ (83)	\$ (1,193)	
Liabilities	115,794	5,372	9,952	13,270	144,388	
Liabilities on account of segregated fund policyholders	60,302	—	—	—	60,302	
	<u>\$ 169,536</u>	<u>\$ 7,026</u>	<u>\$ 13,748</u>	<u>\$ 13,187</u>	<u>\$ 203,497</u>	

(b) Reinsurance Contract Held Assets / (Liabilities)

		September 30, 2024				
		Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total	
Assets	\$ 16,378	\$ 753	\$ 562	\$ 150	\$ 17,843	
Liabilities	(2,316)	998	551	(63)	(830)	
	<u>\$ 14,062</u>	<u>\$ 1,751</u>	<u>\$ 1,113</u>	<u>\$ 87</u>	<u>\$ 17,013</u>	
		December 31, 2023				
		Not measured under the PAA				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	PAA	Total	
Assets	\$ 16,181	\$ 866	\$ 163	\$ 122	\$ 17,332	
Liabilities	(2,419)	863	950	(42)	(648)	
	<u>\$ 13,762</u>	<u>\$ 1,729</u>	<u>\$ 1,113</u>	<u>\$ 80</u>	<u>\$ 16,684</u>	

(c) Discount Rates

The following table provides the lower and upper end of the range of the spot rates used by the Company to discount liability cash flows by major currency:

September 30, 2024		Year 1	Year 5	Year 10	Year 20	Year 30	Year 50
CAD	Lower	4.6 %	4.0 %	4.3 %	4.5 %	4.5 %	4.7 %
	Upper	5.0 %	4.5 %	4.8 %	5.0 %	5.0 %	5.0 %
USD	Lower	4.8 %	4.4 %	4.7 %	5.2 %	5.0 %	4.8 %
	Upper	5.3 %	4.8 %	5.1 %	5.7 %	5.4 %	5.0 %
EUR	Lower	2.8 %	2.3 %	2.5 %	2.9 %	3.2 %	4.3 %
	Upper	3.9 %	3.4 %	3.7 %	4.0 %	4.2 %	4.5 %
GBP	Lower	4.8 %	4.3 %	4.6 %	5.2 %	5.2 %	4.1 %
	Upper	5.6 %	5.1 %	5.4 %	6.0 %	6.1 %	5.0 %

December 31, 2023		Year 1	Year 5	Year 10	Year 20	Year 30	Year 50
CAD	Lower	6.0 %	4.5 %	4.4 %	4.3 %	4.2 %	4.5 %
	Upper	6.4 %	4.9 %	4.9 %	4.9 %	4.8 %	4.9 %
USD	Lower	5.7 %	4.8 %	4.8 %	5.3 %	4.9 %	4.7 %
	Upper	6.1 %	5.2 %	5.3 %	5.8 %	5.4 %	5.0 %
EUR	Lower	3.2 %	2.1 %	2.2 %	2.5 %	2.9 %	4.3 %
	Upper	4.8 %	3.6 %	3.8 %	4.1 %	4.2 %	4.5 %
GBP	Lower	4.9 %	3.8 %	4.0 %	4.7 %	4.6 %	3.7 %
	Upper	5.9 %	4.8 %	5.1 %	5.7 %	5.6 %	4.7 %

The spot rates in the table above are calculated based on prevailing interest rates observed in their respective markets. When interest rates are not observable, the yield curve to discount cash flows transitions to an ultimate rate composed of a risk-free rate and illiquidity premium. These amounts are set based on historical data.

(d) Impact of Assumption Changes and Management Actions

In the third quarter of 2024, the Company completed certain assumption reviews and model refinements related to insurance contract liabilities. The following table shows the net earnings and CSM impacts of assumption changes and management actions for the three months ended September 30, 2024 and September 30, 2023:

Assumptions	CSM impacts ¹	Net earnings impact (pre-tax)			Description
		Fair value impact of CSM assumption changes	Other	Total	
For the three months ended September 30, 2024					
Longevity	\$ 727	\$ (302)	\$ 5	\$ (297)	Updates to reflect trends in longevity experience, primarily on portfolios in the Capital and Risk Solutions segment and in the United Kingdom in the Europe segment
Mortality	44	(85)	(17)	(102)	Updates to reflect trends in mortality, primarily on the United States life reinsurance portfolio in the Capital and Risk Solutions segment
Policyholder behaviour	(413)	108	(19)	89	Updates to reflect renewal experience on term insurance in the Canada segment
Other	(53)	13	62	75	Other updates, including financial and expense assumptions
Total	\$ 305	\$ (266)	\$ 31	\$ (235)	
For the three months ended September 30, 2023					
Total	\$ 188	\$ (57)	\$ (68)	\$ (125)	

¹ Excludes participating policies.

10. Segregated Funds and Other Structured Entities

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

(a) Investments on Account of Segregated Fund Policyholders

	September 30 2024	December 31 2023
Cash and cash equivalents	\$ 18,457	\$ 15,024
Bonds	73,720	72,111
Mortgage loans	2,105	2,022
Stocks and units in unit trusts	150,872	130,415
Mutual funds	218,819	188,549
Investment properties	11,500	12,071
	475,473	420,192
Accrued income	879	832
Other assets (liabilities)	(3,455)	(4,138)
Non-controlling mutual funds interest	8,959	6,070
Total ¹	\$ 481,856	\$ 422,956

¹ At September 30, 2024, \$64,340 of investments on account of segregated fund policyholders are reinsured by the Company on a modified coinsurance basis (\$64,097 at December 31, 2023). Included in this amount are \$82 of cash and cash equivalents, \$10,852 of bonds, \$18 of stocks and units in unit trusts, \$53,359 of mutual funds, \$79 of accrued income and \$(50) of other liabilities.

(b) Insurance and Investment Contracts on Account of Segregated Funds Policyholders

	For the nine months ended September 30	
	2024	2023
Balance, beginning of year	\$ 422,956	\$ 387,882
Additions (deductions):		
Policyholder deposits	43,834	39,370
Net investment income	3,730	3,304
Net realized capital gains (losses) on investments	8,336	1,253
Net unrealized capital gains (losses) on investments	36,240	12,505
Unrealized gains (losses) due to changes in foreign exchange rates	9,318	1,053
Policyholder withdrawals	(45,438)	(42,057)
Change in segregated fund investment in general fund	(20)	59
Change in general fund investment in segregated fund	1	1
Net transfer from (to) general fund	10	41
Non-controlling mutual funds interest	2,889	(1,127)
Total	58,900	14,402
Balance, end of period	\$ 481,856	\$ 402,284

(c) Investments on Account of Segregated Fund Policyholders by Fair Value Hierarchy Level

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Investments on account of segregated fund policyholders	\$ 334,845	\$ 136,196	\$ 13,533	\$ 484,574

¹ Excludes other liabilities, net of other assets, of \$2,718.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Investments on account of segregated fund policyholders ¹	\$ 299,451	\$ 113,199	\$ 13,792	\$ 426,442

¹ Excludes other liabilities, net of other assets, of \$3,486.

For the nine months ended September 30, 2024, certain foreign stock holdings valued at \$4,798 have been transferred from Level 1 to Level 2 (\$56 were transferred from Level 1 to Level 2 at December 31, 2023) primarily based on the Company's change in use of inputs in addition to quoted prices in active markets for certain foreign stock holdings. Level 2 assets include those assets where fair value is not available from normal market pricing sources, where inputs are utilized in addition to quoted prices in active markets and where the Company does not have access to the underlying asset details within an investment fund.

The following presents additional information about the Company's investments on account of segregated fund policyholders for which the Company has utilized Level 3 inputs to determine fair value:

	September 30 2024	December 31 2023
Balance, beginning of year	\$ 13,792	\$ 14,455
Total gains (losses) included in segregated fund investment income	(500)	(1,073)
Purchases	701	795
Sales	(524)	(445)
Transfers into Level 3	97	350
Transfers out of Level 3	(33)	(290)
Balance, end of period	\$ 13,533	\$ 13,792

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

11. Share Capital

Common Shares

	For the nine months ended September 30			
	2024		2023	
	Number	Carrying value	Number	Carrying value
Common shares				
Balance, beginning of year	932,427,987	\$ 6,000	931,853,110	\$ 5,791
Issued in business acquisition	—	—	2,278,830	89
Exercised and issued under stock option plan	1,476,916	54	2,910,932	106
Purchased and cancelled under normal course issuer bid	(2,700,000)	(114)	(4,476,293)	(171)
Excess of redemption proceeds over stated capital per normal course issuer bid	—	97	—	143
Balance, end of period	931,204,903	\$ 6,037	932,566,579	\$ 5,958

During the nine months ended September 30, 2024, 1,476,916 common shares were exercised under the Company's stock plan with a carrying value of \$54, including \$4 from contributed surplus transferred upon exercise (2,910,932 with a carrying value of \$106, including \$11 from contributed surplus transferred upon exercise for the nine months ended September 30, 2023).

On January 25, 2024, the Company announced the renewal of its normal course issuer bid (NCIB) commencing January 29, 2024 and terminating January 28, 2025 to purchase for cancellation up to but not more than 20,000,000 of its common shares at market prices.

During the nine months ended September 30, 2024, the Company repurchased and subsequently cancelled 2,700,000 common shares under the current NCIB at a cost of \$114 (4,476,293 common shares at a cost of \$171 for the nine months ended September 30, 2023, under the previous NCIB). The Company's share capital was reduced by the average carrying value of the shares repurchased for cancellation. The excess paid over the average carrying value was \$98 and was recognized as a reduction to accumulated surplus for the nine months ended September 30, 2024 (\$143 for the nine months ended September 30, 2023, under the previous NCIB).

12. Earnings Per Common Share

The following provides the reconciliation between basic and diluted earnings per common share:

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Earnings				
Net earnings from continuing operations before preferred share dividends	\$ 891	\$ 968	\$ 2,992	\$ 2,216
Preferred share dividends	(32)	(32)	(97)	(97)
Net earnings from continuing operations	\$ 859	\$ 936	\$ 2,895	\$ 2,119
Net loss from discontinued operations	—	(31)	(115)	(121)
Net gain from disposal of discontinued operations	—	—	44	—
Net earnings - common shareholders	\$ 859	\$ 905	\$ 2,824	\$ 1,998
Number of common shares				
Average number of common shares outstanding	931,524,928	931,238,607	932,249,369	931,482,357
Add: Potential exercise of outstanding stock options	2,739,169	2,222,406	2,659,860	1,645,022
Average number of common shares outstanding - diluted basis	934,264,097	933,461,013	934,909,229	933,127,379
Basic earnings per common share	\$ 0.92	\$ 0.97	\$ 3.03	\$ 2.15
Diluted earnings per common share	\$ 0.92	\$ 0.97	\$ 3.02	\$ 2.14
Basic earnings per common share from continuing operations	\$ 0.92	\$ 1.01	\$ 3.10	\$ 2.28
Diluted earnings per common share from continuing operations	\$ 0.92	\$ 1.00	\$ 3.10	\$ 2.27
Dividends per common share	\$ 0.555	\$ 0.520	\$ 1.665	\$ 1.560

13. Capital Management

(a) Policies and Objectives

Managing capital is the continual process of establishing and maintaining the quantity and quality of capital appropriate for the Company and ensuring capital is deployed in a manner consistent with the expectations of the Company's stakeholders. For these purposes, the Board considers the key stakeholders to be the Company's shareholders, policyholders and holders of subordinated liabilities in addition to the relevant regulators in the various jurisdictions where the Company and its subsidiaries operate.

The Company manages its capital on both a consolidated basis as well as at the individual operating subsidiary level. The primary objectives of the Company's capital management strategy are:

- To maintain the capitalization of its regulated operating subsidiaries at a level that will exceed the relevant minimum regulatory capital requirements in the jurisdictions in which they operate;
- To maintain strong credit and financial strength ratings of the Company ensuring stable access to capital markets; and
- To provide an efficient capital structure to maximize shareholders' value in the context of the Company's operational risks and strategic plans.

The target level of capitalization for the Company and its subsidiaries is assessed by considering various factors such as the probability of falling below the minimum regulatory capital requirements in the relevant operating jurisdiction, the views expressed by various credit rating agencies that provide financial strength and other ratings to the Company, and the desire to hold sufficient capital to be able to honour all policyholder and other obligations of the Company with a high degree of confidence.

The Company has established policies and procedures designed to identify, measure and report all material risks. Management is responsible for establishing capital management procedures for implementing and monitoring the capital plan.

The capital planning process is the responsibility of the Company's Chief Financial Officer. The capital plan is approved by the Company's Board of Directors on an annual basis. The Board of Directors reviews and approves all material capital transactions undertaken by management.

(b) Regulatory Capital

In Canada, The Office of the Superintendent of Financial Institutions (OSFI) has established a regulatory capital adequacy measurement for life insurance companies incorporated under the Insurance Companies Act (Canada) and their subsidiaries.

The Life Insurance Capital Adequacy Test (LICAT) Ratio compares the regulatory capital resources of a company to its required capital, defined by OSFI, as the aggregate of all defined capital requirements. The total capital resources are provided by the sum of Available Capital, Surplus Allowance and Eligible Deposits.

The following provides a summary of the LICAT information and ratio for Canada Life:

	September 30 2024	December 31 2023
Tier 1 Capital	\$ 20,278	\$ 18,285
Tier 2 Capital	5,288	5,223
Total Available Capital	25,566	23,508
Surplus Allowance and Eligible Deposits	5,277	5,406
Total Capital Resources	\$ 30,843	\$ 28,914
Required Capital	\$ 22,939	\$ 22,525
Total LICAT Ratio (OSFI Supervisory Target = 100%)¹	134 %	128 %

¹ Total Ratio (%) = (Total Capital Resources / Required Capital)

Other foreign operations and foreign subsidiaries of the Company are required to comply with local capital or solvency requirements in their respective jurisdictions.

14. Income Taxes

(a) Income Tax Expense

Income tax recognized in Consolidated Statements of Earnings:

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Current income taxes	\$ 127	\$ 50	\$ 549	\$ 387
Deferred income taxes	4	87	(20)	(164)
Total income tax expense	\$ 131	\$ 137	\$ 529	\$ 223

(b) Effective Income Tax Rate

The effective income tax rates are generally lower than the Company's statutory income tax rate of 28.0% due to benefits related to non-taxable investment income and lower income tax in certain foreign jurisdictions.

Under International Pillar Two tax reform, the Organization for Economic Co-Operation and Development (OECD) introduced a 15% global minimum tax (GMT) regime that has been adopted by all countries in which the Company has significant operations, other than the U.S. Canada enacted GMT legislation on June 20, 2024 which applies retroactively to January 1, 2024. Other countries where the Company has significant operations, including Barbados, Germany, Ireland and the U.K. had previously enacted GMT legislation, also effective January 1, 2024.

The GMT is complex in nature and applies to Lifeco as part of a larger related group of companies. The Company currently expects GMT in Barbados, Ireland and Isle of Man, jurisdictions where the statutory tax rate is below 15%. In the third quarter of 2024, the Company recognized a GMT current tax expense of \$23 (\$89 for the nine months ended September 30, 2024), primarily related to its operations in Barbados and Ireland.

The Company has applied the mandatory temporary exception in IAS 12, *Income Taxes* from recognizing and disclosing deferred tax assets and liabilities related to the GMT.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

The overall effective income tax rate for the three months ended September 30, 2024 of 12.8% was comparable to 12.2% for the three months ended September 30, 2023 as the increase due to GMT and jurisdictional mix of earnings was offset by higher non-taxable investment income. The GMT increased the effective income tax rate by 2.3%.

The overall effective income tax rate for the nine months ended September 30, 2024 of 14.7% was higher than 9.1% for the nine months ended September 30, 2023 primarily due to the GMT and jurisdictional mix of earnings. The GMT increased the effective income tax rate by 2.5%.

The effective income tax rate for the shareholder account for the three months ended September 30, 2024 was 16.1% compared to 12.8% for the three months ended September 30, 2023.

The effective income tax rate for the shareholder account for the nine months ended September 30, 2024 was 16.9% compared to 10.8% for the nine months ended September 30, 2023.

15. Segmented Information

(a) Consolidated Net Earnings

For the three months ended September 30, 2024

	Canada	United States	Europe	Capital and Risk Solutions	Lifeco Corporate	Total
Segment revenue						
Insurance revenue ¹	\$ 2,312	\$ 56	\$ 1,689	\$ 1,235	\$ —	\$ 5,292
Net investment income ²	823	1,023	411	2	(10)	2,249
Changes in fair value on FVTPL assets ²	3,576	2,673	486	167	4	6,906
	6,711	3,752	2,586	1,404	(6)	14,447
Fee and other income ³	480	1,094	229	3	—	1,806
	7,191	4,846	2,815	1,407	(6)	16,253
Other insurance results						
Insurance service expenses	(1,536)	(86)	(1,449)	(1,028)	—	(4,099)
Net income (expenses) from reinsurance contracts	(361)	(9)	(33)	(10)	—	(413)
	(1,897)	(95)	(1,482)	(1,038)	—	(4,512)
Other investment results						
Net finance income (expenses) from insurance contracts	(4,092)	(260)	(991)	(319)	—	(5,662)
Net finance income (expenses) from reinsurance contracts	3	(8)	91	8	—	94
Changes in investment contract liabilities	(72)	(3,079)	(2)	(36)	—	(3,189)
	(4,161)	(3,347)	(902)	(347)	—	(8,757)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income (loss)	1,905	—	593	—	—	2,498
Net finance income (expenses) from insurance contracts	(1,905)	—	(593)	—	—	(2,498)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(497)	(966)	(234)	(15)	(25)	(1,737)
Amortization of finite life intangible assets	(31)	(57)	(17)	—	—	(105)
Financing costs	(33)	(53)	(10)	(1)	(1)	(98)
Restructuring and integration expenses	—	—	(23)	—	—	(23)
	572	328	147	6	(32)	1,021
Earnings before income taxes						
Income taxes	108	23	17	(9)	(8)	131
	464	305	130	15	(24)	890
Net earnings from continuing operations before non-controlling interests						
Attributable to non-controlling interests	(1)	—	—	—	—	(1)
	465	305	130	15	(24)	891
Net earnings from continuing operations before preferred share dividends						
Preferred share dividends	28	—	4	—	—	32
	437	305	126	15	(24)	859
Net earnings from continuing operations before capital allocation						
Impact of capital allocation	23	2	(11)	(6)	(8)	—
	460	307	115	9	(32)	859
Net earnings from continuing operations						
Net loss from discontinued operations	—	—	—	—	—	—
Net gain from disposal of discontinued operations	—	—	—	—	—	—
	\$ 460	\$ 307	\$ 115	\$ 9	\$ (32)	\$ 859
Net earnings - common shareholders						

¹ Included within insurance service result in the Consolidated Statements of Earnings.

² Included within net investment result in the Consolidated Statements of Earnings.

³ Included within other income and expenses in the Consolidated Statements of Earnings.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

For the three months ended September 30, 2023

	Canada	United States	Europe	Capital and Risk Solutions	Lifeco Corporate	Total
Segment revenue						
Insurance revenue ¹	\$ 2,317	\$ 60	\$ 1,557	\$ 1,176	\$ —	\$ 5,110
Net investment income ²	881	992	308	80	10	2,271
Changes in fair value on FVTPL assets ²	(3,308)	(1,479)	(387)	(282)	(1)	(5,457)
	(110)	(427)	1,478	974	9	1,924
Fee and other income ³	328	928	190	4	—	1,450
	218	501	1,668	978	9	3,374
Other insurance results						
Insurance service expenses	(1,559)	(45)	(1,325)	(992)	—	(3,921)
Net income (expenses) from reinsurance contracts	(371)	2	(27)	(5)	—	(401)
	(1,930)	(43)	(1,352)	(997)	—	(4,322)
Other investment results						
Net finance income (expenses) from insurance contracts	2,753	123	124	287	—	3,287
Net finance income (expenses) from reinsurance contracts	(48)	(2)	(160)	(2)	—	(212)
Changes in investment contract liabilities	(2)	742	—	21	—	761
	2,703	863	(36)	306	—	3,836
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income (loss)	(718)	—	(321)	—	—	(1,039)
Net finance income (expenses) from insurance contracts	718	—	321	—	—	1,039
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(355)	(921)	(224)	(8)	(14)	(1,522)
Amortization of finite life intangible assets	(28)	(53)	(19)	—	—	(100)
Financing costs	(32)	(58)	(10)	(2)	(1)	(103)
Restructuring and integration expenses	—	(17)	(21)	—	—	(38)
Earnings (loss) before income taxes	576	272	6	277	(6)	1,125
Income taxes	136	31	(34)	6	(2)	137
Net earnings (loss) from continuing operations before non-controlling interests	440	241	40	271	(4)	988
Attributable to non-controlling interests	21	(1)	—	—	—	20
Net earnings (loss) from continuing operations before preferred share dividends	419	242	40	271	(4)	968
Preferred share dividends	28	—	4	—	—	32
Net earnings (loss) from continuing operations before capital allocation	391	242	36	271	(4)	936
Impact of capital allocation	23	2	(11)	(6)	(8)	—
Net earnings (loss) from continuing operations	414	244	25	265	(12)	936
Net loss from discontinued operations	—	(31)	—	—	—	(31)
Net earnings (loss) - common shareholders	\$ 414	\$ 213	\$ 25	\$ 265	\$ (12)	\$ 905

¹ Included within insurance service result in the Consolidated Statements of Earnings.

² Included within net investment result in the Consolidated Statements of Earnings.

³ Included within other income and expenses in the Consolidated Statements of Earnings.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

For the nine months ended September 30, 2024

	Canada	United States	Europe	Capital and Risk Solutions	Lifeco Corporate	Total
Segment revenue						
Insurance revenue ¹	\$ 7,095	\$ 174	\$ 4,892	\$ 3,654	\$ —	\$ 15,815
Net investment income ²	2,598	3,026	1,160	209	5	6,998
Changes in fair value on FVTPL assets ²	3,080	2,103	(437)	(106)	17	4,657
	12,773	5,303	5,615	3,757	22	27,470
Fee and other income ³	1,414	3,194	654	10	—	5,272
	14,187	8,497	6,269	3,767	22	32,742
Other insurance results						
Insurance service expenses	(4,809)	(183)	(4,197)	(3,034)	—	(12,223)
Net income (expenses) from reinsurance contracts	(1,058)	(25)	(81)	(20)	—	(1,184)
	(5,867)	(208)	(4,278)	(3,054)	—	(13,407)
Other investment results						
Net finance income (expenses) from insurance contracts	(4,967)	(265)	(467)	(145)	—	(5,844)
Net finance income (expenses) from reinsurance contracts	(8)	(29)	(42)	8	—	(71)
Changes in investment contract liabilities	(133)	(3,771)	(1)	(28)	—	(3,933)
	(5,108)	(4,065)	(510)	(165)	—	(9,848)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income (loss)	4,204	—	1,213	—	—	5,417
Net finance income (expenses) from insurance contracts	(4,204)	—	(1,213)	—	—	(5,417)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(1,492)	(2,884)	(722)	(36)	(35)	(5,169)
Amortization of finite life intangible assets	(90)	(170)	(46)	(1)	(1)	(308)
Financing costs	(101)	(164)	(30)	(3)	(1)	(299)
Restructuring and integration expenses	(23)	(72)	(23)	—	—	(118)
Earnings before income taxes	1,506	934	660	508	(15)	3,593
Income taxes	271	126	109	64	(41)	529
Net earnings from continuing operations before non-controlling interests	1,235	808	551	444	26	3,064
Attributable to non-controlling interests	72	—	—	—	—	72
Net earnings from continuing operations before preferred share dividends	1,163	808	551	444	26	2,992
Preferred share dividends	84	—	13	—	—	97
Net earnings from continuing operations before capital allocation	1,079	808	538	444	26	2,895
Impact of capital allocation	69	6	(35)	(20)	(20)	—
Net earnings from continuing operations	1,148	814	503	424	6	2,895
Net loss from discontinued operations	—	(115)	—	—	—	(115)
Net gain from disposal of discontinued operations	—	44	—	—	—	44
Net earnings - common shareholders	\$ 1,148	\$ 743	\$ 503	\$ 424	\$ 6	\$ 2,824

¹ Included within insurance service result in the Consolidated Statements of Earnings.

² Included within net investment result in the Consolidated Statements of Earnings.

³ Included within other income and expenses in the Consolidated Statements of Earnings.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

For the nine months ended September 30, 2023

	Canada	United States	Europe	Capital and Risk Solutions	Lifeco Corporate	Total
Segment revenue						
Insurance revenue ¹	\$ 7,013	\$ 177	\$ 4,521	\$ 3,517	\$ —	\$ 15,228
Net investment income ²	2,388	2,940	795	289	21	6,433
Changes in fair value on FVTPL assets ²	(2,204)	(1,076)	(1,089)	(178)	(6)	(4,553)
	7,197	2,041	4,227	3,628	15	17,108
Fee and other income ³	994	2,736	576	10	—	4,316
	8,191	4,777	4,803	3,638	15	21,424
Other insurance results						
Insurance service expenses	(4,890)	(134)	(3,892)	(2,963)	—	(11,879)
Net income (expenses) from reinsurance contracts	(1,041)	6	(110)	(13)	—	(1,158)
	(5,931)	(128)	(4,002)	(2,976)	—	(13,037)
Other investment results						
Net finance income (expenses) from insurance contracts	42	(20)	288	38	—	348
Net finance income (expenses) from reinsurance contracts	(27)	(6)	(95)	3	—	(125)
Changes in investment contract liabilities	(49)	(790)	(2)	6	—	(835)
	(34)	(816)	191	47	—	(612)
Net investment result - insurance contracts on account of segregated fund policyholders						
Net investment income (loss)	1,099	—	497	—	—	1,596
Net finance income (expenses) from insurance contracts	(1,099)	—	(497)	—	—	(1,596)
	—	—	—	—	—	—
Other income and expenses						
Operating and administrative expenses	(1,042)	(2,800)	(712)	(34)	(34)	(4,622)
Amortization of finite life intangible assets	(79)	(153)	(53)	(1)	(1)	(287)
Financing costs	(100)	(182)	(35)	(3)	(2)	(322)
Restructuring and integration expenses	—	(71)	(12)	—	—	(83)
Earnings (loss) before income taxes	1,005	627	180	671	(22)	2,461
Income taxes	173	58	(35)	33	(6)	223
Net earnings (loss) from continuing operations before non-controlling interests	832	569	215	638	(16)	2,238
Attributable to non-controlling interests	22	—	—	—	—	22
Net earnings (loss) from continuing operations before preferred share dividends	810	569	215	638	(16)	2,216
Preferred share dividends	84	—	13	—	—	97
Net earnings (loss) from continuing operations before capital allocation	726	569	202	638	(16)	2,119
Impact of capital allocation	69	6	(35)	(20)	(20)	—
Net earnings (loss) from continuing operations	795	575	167	618	(36)	2,119
Net loss from discontinued operations	—	(121)	—	—	—	(121)
Net earnings (loss) - common shareholders	\$ 795	\$ 454	\$ 167	\$ 618	\$ (36)	\$ 1,998

¹ Included within insurance service result in the Consolidated Statements of Earnings.

² Included within net investment result in the Consolidated Statements of Earnings.

³ Included within other income and expenses in the Consolidated Statements of Earnings.

The Revenue by Source Currency for Capital and Risk Solutions

	For the three months ended September 30		For the nine months ended September 30	
	2024	2023	2024	2023
Revenue				
United States	\$ 511	\$ 259	\$ 1,113	\$ 964
United Kingdom	752	484	1,659	1,422
Japan	52	(120)	(27)	47
Other	92	355	1,022	1,205
Total revenue	\$ 1,407	\$ 978	\$ 3,767	\$ 3,638

Negative income in the table above is primarily due to unrealized fair value losses through profit or loss on bonds.

(b) Consolidated Total Assets and Liabilities

	September 30, 2024				
	Canada	United States	Europe	Capital and Risk Solutions	Total
Assets					
Invested assets	\$ 95,594	\$ 86,947	\$ 45,453	\$ 9,058	\$ 237,052
Insurance contract assets	435	303	345	88	1,171
Reinsurance contract held assets	1,217	12,656	3,848	122	17,843
Goodwill and intangible assets	6,622	6,262	3,088	—	15,972
Other assets	5,657	16,137	4,019	34	25,847
Investments on account of segregated fund policyholders	112,493	204,409	164,954	—	481,856
Total	\$ 222,018	\$ 326,714	\$ 221,707	\$ 9,302	\$ 779,741
Liabilities					
Insurance contract liabilities	\$ 86,437	\$ 18,587	\$ 42,948	\$ 5,377	\$ 153,349
Investment contract liabilities	3,829	82,790	351	661	87,631
Reinsurance contract held liabilities	261	146	393	30	830
Other liabilities	8,402	12,127	3,382	853	24,764
Insurance contracts on account of segregated fund policyholders	35,374	13,798	16,054	—	65,226
Investment contracts on account of segregated fund policyholders	77,119	190,611	148,900	—	416,630
Total	\$ 211,422	\$ 318,059	\$ 212,028	\$ 6,921	\$ 748,430

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

	December 31, 2023				
	Canada	United States	Europe	Capital and Risk Solutions	Total
Assets					
Invested assets	\$ 89,382	\$ 86,715	\$ 41,981	\$ 8,732	\$ 226,810
Insurance contract assets	400	291	331	171	1,193
Reinsurance contract held assets	1,243	12,243	3,713	133	17,332
Assets held for sale	—	4,467	—	—	4,467
Goodwill and intangible assets	6,545	6,151	3,037	—	15,733
Other assets	4,964	16,192	3,531	52	24,739
Investments on account of segregated fund policyholders	101,250	179,770	141,936	—	422,956
Total	\$ 203,784	\$ 305,829	\$ 194,529	\$ 9,088	\$ 713,230
Liabilities					
Insurance contract liabilities	\$ 81,455	\$ 18,079	\$ 39,390	\$ 5,464	\$ 144,388
Investment contract liabilities	3,931	83,966	341	681	88,919
Reinsurance contract held liabilities	208	163	250	27	648
Liabilities held for sale	—	2,407	—	—	2,407
Other liabilities	7,153	12,804	3,408	696	24,061
Insurance contracts on account of segregated fund policyholders	32,997	12,892	14,413	—	60,302
Investment contracts on account of segregated fund policyholders	68,253	166,878	127,523	—	362,654
Total	\$ 193,997	\$ 297,189	\$ 185,325	\$ 6,868	\$ 683,379

The Assets by Source Currency for Capital and Risk Solutions

	September 30		December 31	
	2024		2023	
Assets				
United States	\$ 4,693	\$ 4,334		
United Kingdom	1,394	1,350		
Japan	3,012	3,047		
Other	203	357		
Total assets	\$ 9,302	\$ 9,088		

(c) CSM

	For the nine months ended September 30, 2024							
	Non-Participating (excluding Segregated Funds)							
	Canada	United States	Europe	Capital and Risk Solutions	Total	Segregated Funds	Par	Total ¹
CSM, beginning of year	\$ 1,159	\$ 24	\$ 3,255	\$ 1,745	\$ 6,183	\$ 3,298	\$ 3,154	\$ 12,635
CSM recognized for services provided	(85)	(4)	(209)	(126)	(424)	(307)	(114)	(845)
Contracts initially recognized in the year	28	—	295	66	389	128	86	603
Changes in estimates that adjust the CSM	(419)	33	118	465	197	397	78	672
Net finance (income) expenses from insurance contracts	23	—	58	33	114	(13)	—	101
Effect of movement in exchange rates	—	1	196	101	298	49	4	351
CSM, end of period	\$ 706	\$ 54	\$ 3,713	\$ 2,284	\$ 6,757	\$ 3,552	\$ 3,208	\$ 13,517

¹ The amounts in the table above are presented net of reinsurance.

Condensed Notes to the Consolidated Interim Financial Statements (*unaudited*)

	For the year ended December 31, 2023							
	Non-Participating (excluding Segregated Funds)							
	Canada	United States	Europe	Capital and Risk Solutions	Total	Segregated Funds	Par	Total ¹
CSM, beginning of year	\$ 1,264	\$ 41	\$ 2,771	\$ 1,796	\$ 5,872	\$ 3,557	\$ 3,694	\$ 13,123
CSM recognized for services provided	(143)	(4)	(234)	(154)	(535)	(430)	(157)	(1,122)
Contracts initially recognized in the year	41	—	284	49	374	181	111	666
Changes in estimates that adjust the CSM	(40)	(12)	325	—	273	(37)	(490)	(254)
Net finance (income) expenses from insurance contracts	37	—	49	37	123	16	—	139
Effect of movement in exchange rates	—	(1)	60	17	76	11	(4)	83
CSM, end of year	<u>\$ 1,159</u>	<u>\$ 24</u>	<u>\$ 3,255</u>	<u>\$ 1,745</u>	<u>\$ 6,183</u>	<u>\$ 3,298</u>	<u>\$ 3,154</u>	<u>\$ 12,635</u>

¹ The amounts in the table above are presented net of reinsurance.