

Review of Financial Performance

All tabular amounts are in millions of Canadian dollars, unless otherwise noted.

MARCH 18, 2026

This Annual Report is intended to provide interested shareholders and others with selected information concerning Power Corporation of Canada. For further information concerning the Corporation, shareholders and other interested persons should consult the Corporation's disclosure documents, such as its Annual Information Form and Management's Discussion and Analysis (MD&A). Copies of the Corporation's continuous disclosure documents can be obtained on the Corporation's website at www.powercorporation.com, on SEDAR+ at www.sedarplus.ca, or from the office of the Secretary at the addresses shown at the end of this report.

Readers are reminded that a list of the abbreviations used throughout can be found on the inside back cover of this Annual Report. In addition, the following abbreviation is used in the Review of Financial Performance and in the Financial Statements and Notes thereto: Audited Consolidated Financial Statements of Power Corporation and Notes thereto for the year ended December 31, 2025 (the 2025 Consolidated Financial Statements or the Financial Statements).

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS › Certain statements in this Annual Report, 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 disclosure materials. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future, and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries including the outlook for North American and international economies for the current fiscal year and subsequent periods, the Corporation's NCIB commenced in 2026, statements concerning deferred taxes, the fintech strategy, fundraising activities and investment strategies of the investment platforms, capital commitments by the Power group and third parties, the expected timing and impact of SHMI's investment in Unigestion, GBL's strategy to simplify its portfolio and expected impact of its partial divestment of GBL Capital's portfolio, and of its sale of Sienna Gestion, Sienna Private Credit and Sienna Real Estate, GBL's expected dividend, GBL's medium-term objectives, the expected impacts of GBL's and Baird's investment in SHMI, and the Corporation's subsidiaries' disclosed expectations including Great-West Lifeco's NCIB and the Corporation's participation therein, its business transformation and other costs, Great-West Lifeco's medium-term objectives, and IGM's medium-term objectives. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

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

The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, and that strategic transactions, acquisitions, divestitures or other growth or optimization strategies will be completed on expected terms, including that any required approvals will be received when and on such terms as are expected, as well as other considerations that are believed to be appropriate in the circumstances. Other considerations also include the availability of cash to complete purchases under the NCIB, that the list of risks and uncertainties in the previous paragraph, collectively, are not expected to have a material impact on the Corporation, and with respect to forward-looking

statements of the Corporation's subsidiaries disclosed in this Annual Report, that the risks identified by such subsidiaries in their respective disclosure materials and Annual Information Form are not expected to have a material impact on the Corporation. While the Corporation considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including its most recent MD&A and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedarplus.ca.

STATEMENT REGARDING NON-IFRS FINANCIAL MEASURES AND OTHER MEASURES › This Annual Report contains financial measures (including ratios) that do not have a standard meaning under International Financial Reporting Standards (IFRS) Accounting Standards. Terms by which non-IFRS financial measures are identified include, but are not limited to, "adjusted net earnings from continuing operations (adjusted net earnings)", "adjusted net earnings from continuing operations per share (adjusted net earnings per share)", "adjusted net asset value", "adjusted net asset value per share", "consolidated assets under management and advisement", "consolidated assets and assets under administration" and "fee-related earnings". Management uses these financial measures in its presentation and analysis of the financial performance, financial condition and cash flows of Power Corporation, and believes that they provide additional meaningful information to readers in their analysis of the results of the Corporation. These non-IFRS financial measures may not be comparable to similar measures used by other entities. Refer to the section "Non-IFRS Financial Measures" in this review of financial performance for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS as well as additional details on each measure. Reconciliations of the adjusted net asset value and the holding company balance sheet are also included in the section "Adjusted Net Asset Value".

Adjusted net earnings from continuing operations (or adjusted net earnings) represents net earnings from continuing operations excluding Adjustments.

In the first quarter of 2025, the Corporation enhanced the disclosure of the components of consolidated assets and assets under administration to provide greater visibility of the assets managed within the Corporation's consolidated businesses. The comparative periods have been restated to conform with the current presentation.

This Annual Report also includes other measures used to discuss activities of the Corporation, its consolidated publicly traded operating companies and alternative asset investment platforms including, but not limited to, "assets under management", "assets under administration", "assets under management and advisement", "assets under management and advisement including strategic investments", "book value per participating share", "capital commitments", "carried interest", "fee-bearing capital", "market capitalization", "net asset value", "net carried interest", "unfunded commitments" and "weighted average management fee rate". In addition, the presentation of the holding company is used to present and analyze the financial position and cash flows of Power Corporation as a holding company. Refer to the section "Other Measures" in this review of financial performance for a definition of each measure.

DISCLOSURES CONCERNING PUBLIC INVESTEE INFORMATION › In this Annual Report, (i) disclosure concerning Great-West Lifeco and IGM, as applicable, has been derived from Great-West Lifeco's and IGM's respective annual MD&A for the year ended December 31, 2025, as prepared and disclosed by the respective companies in accordance with applicable securities legislation, and which are available either directly under their respective profiles on SEDAR+ at www.sedarplus.ca or directly from their websites, www.greatwestlifeco.com and www.igmfinc.com and (ii) disclosure concerning GBL has been derived from publicly disclosed information, as issued by GBL, including in its fourth quarter of 2025 press release. Further information on GBL's results is available on its website at www.gbl.com. For definitions and reconciliations of non-IFRS financial measures disclosed by Great-West Lifeco and IGM, refer to the "Non-GAAP Financial Measures and Ratios" section and specifically the sub-sections entitled "Base earnings (loss)", and "Non-GAAP Ratios" of Great-West Lifeco's and "Non-IFRS Financial Measures and Other Financial Measures" section and specifically "Table 1: Reconciliation of Non-IFRS Financial Measures" of IGM's respective annual MD&A for the year ended December 31, 2025, included in Parts B and C, respectively, of the Corporation's annual MD&A for the year ended December 31, 2025, available on SEDAR+ at www.sedarplus.ca.

POWER CORPORATION OF CANADA

OVERVIEW

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

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

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

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













VALUE CREATION STRATEGY

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

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

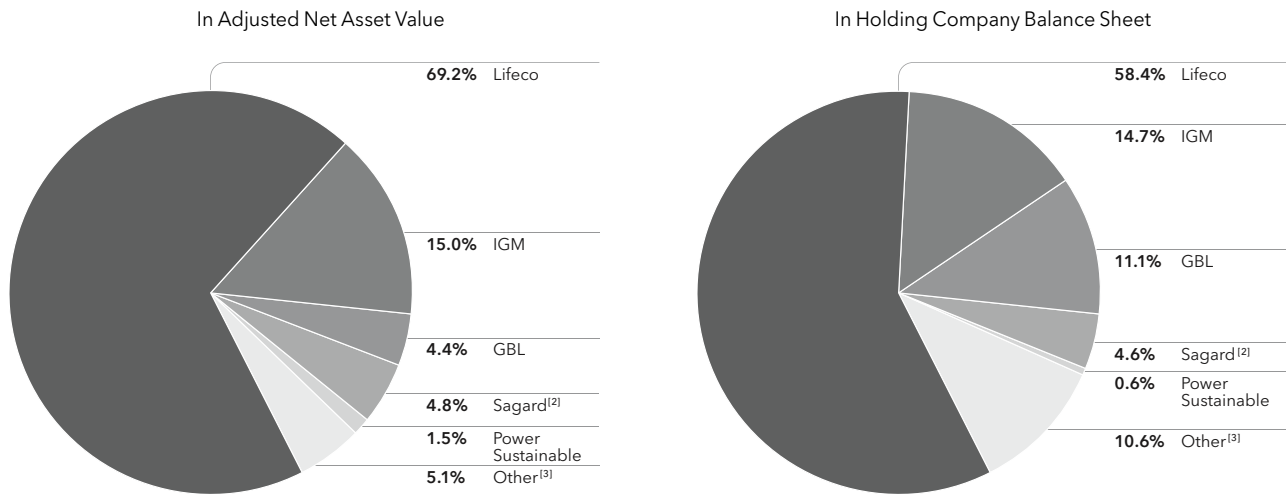
Power Corporation, through its alternative asset investment platforms, continues to develop its alternative asset management businesses which build upon the investment capabilities that have been created over many years in several high-growth asset classes. The alternative asset investment platforms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

Key franchises and business activities across the group

GREAT-WEST LIFECO		IGM Financial		GBL		Alternative Asset Investment Platforms and Other	
Retirement Solutions	  	Wealth Management	 Strategic Investments:  	Investment Holding	Listed Assets Direct Private Assets Indirect Private Assets	Wealth Management	
Wealth Management		Asset Management	 Strategic Investments:  			Asset Management	 
Asset Management							
Group Benefits							
Insurance & Risk Solutions							

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

Total Holding Company Assets



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

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

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

Publicly Traded Operating Companies

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

Lifeco

Great-West Lifeco Inc. (TSX: GWO), market capitalization of \$61.3 billion (refer to the section “Other Measures”) at December 31, 2025, is a financial services holding company that provides wealth, retirement, group benefits and insurance and risk solutions to its over 40 million customer relationships. Lifeco operates in the United States (U.S.), Canada and Europe under the brands Empower, Canada Life and Irish Life.

At December 31, 2025, Power Financial and IGM held interests of 68.7% and 2.4%, respectively, in Lifeco’s common shares, representing approximately 65% of the voting rights attached to all outstanding Lifeco voting shares. The *Insurance Companies Act* limits voting rights in life insurance companies to 65%.

IGM Financial

IGM Financial Inc. (TSX: IGM), market capitalization of \$14.5 billion at December 31, 2025, is a leading Canadian diversified wealth and asset management company supporting advisors and the clients they serve in Canada, and institutional investors globally. IGM provides a broad range of financial planning and investment management services to help approximately two million Canadians meet their financial goals. IGM’s principal operating subsidiaries are wealth manager IG Wealth Management and asset manager Mackenzie Investments. IGM also holds a number of strategic investments that provide benefits to its operating subsidiaries while furthering IGM’s growth prospects.

At December 31, 2025, Power Financial and Canada Life, a subsidiary of Lifeco, held interests of 62.9% and 3.9%, respectively, in IGM’s common shares.

GBL

Power Financial Europe SA, a wholly owned subsidiary of Power Financial, and the Frère Group each hold a 50% interest in Parjointco. At December 31, 2025, Parjointco held a 34.2% indirect (47.8% of the voting rights) controlling interest in GBL, a Belgian holding company listed on the Brussels Stock Exchange.

GBL (EBR: GBLB), market capitalization of €10.1 billion at December 31, 2025, is an established investment holding company. As a leading and active investor in Europe, GBL is focused on long-term value creation with the support of a stable family shareholder base. GBL is focused on delivering meaningful growth by providing attractive returns to its shareholders through a combination of growth in its net asset value per share, a sustainable dividend and share buybacks.

Alternative Asset Investment Platforms

Power Corporation continues to develop alternative asset investment platforms (investment platforms) that manage portfolios in several alternative asset classes, principally in North America and Europe. The alternative asset investment platforms offer alternative strategies to traditional long-term investment strategies. Traditional long-term investment strategies generally invest in publicly traded shares and fixed income investments, whereas the alternative asset investment strategies include venture capital, private equity, private credit as well as real estate and infrastructure. At December 31, 2025, the alternative asset investment platforms had \$51.8 billion of assets under management, including unfunded commitments (refer to the section “Other Measures”).

Sagard

Sagard is a global multi-strategy alternative asset management firm active in venture capital, private equity, private credit and real estate. Sagard delivers flexible capital, an entrepreneurial culture, and a global network of investors, commercial partners, advisors, and value creation experts to its portfolio companies. Sagard also engages in private wealth management and holds strategic interests in other alternative asset management businesses. The firm has offices in Canada, the U.S., Europe and the Middle East. At December 31, 2025, Sagard had \$47.4 billion of assets under management, including unfunded commitments.

The asset management business of Sagard is consolidated under Sagard Holdings Management Inc. (SHMI). The Corporation held a 44.2% controlling interest in SHMI at December 31, 2025 (50.8% at December 31, 2024). Lifeco and GBL also held interests of 11.0% and 4.9%, respectively, in SHMI at December 31, 2025.

Power Sustainable

Power Sustainable is a sustainability-focused investment manager with offices in Canada and the U.S. Power Sustainable finances companies and projects that aim for both competitive returns and positive sustainability outcomes, and offers institutional investors exposure to alternative assets which aim to accelerate and scale sustainable solutions across multiple industries. Power Sustainable invests in companies and projects that contribute to decarbonization, sustainable cities and communities and resource efficiency, which are priorities shared by its global network of clients, asset owners, partners and employees. Power Sustainable is currently comprised of four strategies: Power Sustainable Energy Infrastructure, Power Sustainable Infrastructure Credit, Power Sustainable Lios (agri-food private equity) and Power Sustainable Decarb Private Equity. At December 31, 2025, Power Sustainable had \$4.4 billion of assets under management, including unfunded commitments.

The asset management business of Power Sustainable is consolidated under Power Sustainable Manager Inc. (PSM). The Corporation held a 73.0% controlling interest in PSM at December 31, 2025 (74.7% at December 31, 2024). Lifeco also held an interest of 20.4% in PSM at December 31, 2025.

Standalone Businesses

The standalone businesses include the Corporation’s controlling interest in LMPG.

TABLE OF HOLDINGS

At December 31, 2025, the Corporation's main holdings were as follows:

Holdings	% economic interest	Nature of investment	Accounting method
Publicly traded operating companies^[1]			
Lifeco ^[2]	68.7	Controlling interest	Consolidation
IGM ^[3]	62.9	Controlling interest	Consolidation
GBL ^[4]	17.1	Joint control	Equity method
Alternative asset investment platforms			
Sagard			
SHMI ^[5]	44.2	Controlling interest	Consolidation
BEX ^[6]	45.0	Controlling interest	Consolidation
PEM ^[7]	100.0	Controlling interest	Consolidation
HalseyPoint	40.0	Joint control	Equity method
Wealthsimple ^{[1][8]}	13.9	Controlling interest	Consolidation
Portage Ventures I ^[9]	63.0	Controlling interest	Consolidation
Portage Ventures II ^[10]	12.4	Controlling interest	Consolidation
Portage Ventures III ^[11]	2.4	Controlling interest	Consolidation
Portage Ventures IV ^[12]	4.8	Controlling interest	Consolidation
Portage Capital Solutions ^[13]	29.2	Controlling interest	Consolidation
Sagard Funds ^[14]	various	Investment	Fair value through profit or loss
Power Sustainable			
Power Sustainable Manager ^[15]	73.0	Controlling interest	Consolidation
Power Sustainable Energy Infrastructure Partnership ^[16]	28.3	Controlling interest	Consolidation
Potentia	100.0	Controlling interest	Consolidation
Nautilus	100.0	Controlling interest	Consolidation
Standalone businesses			
LMPG	49.6	Controlling interest	Consolidation

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

[2] IGM also held a 2.4% interest in Lifeco.

[3] Canada Life also held a 3.9% interest in IGM.

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

[5] Lifeco and GBL also held interests of 11.0% and 4.9%, respectively, in SHMI. At December 31, 2025, management of Sagard held a fully diluted interest of 17.4% in SHMI. SHMI also has a long-term incentive program pursuant to which certain key members of management have received, or will receive in the future, compensation in the form of equity of SHMI vesting over a 5-year period.

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

[7] In the third quarter of 2025, Sagard acquired the remaining interest of 62.0% in PEM.

[8] Portage Ventures I and IGM also held interests of 9.6% and 28.9%, respectively, in Wealthsimple (see also the section "Wealthsimple" in the section "Sagard and Power Sustainable").

[9] Lifeco and IGM also held equal interests of 18.5% in Portage Ventures I.

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

[11] Lifeco and IGM also held interests of 9.0% and 4.0%, respectively, in Portage Ventures III.

[12] Lifeco and IGM also held interests of 11.4% and 3.3%, respectively, in Portage Ventures IV.

[13] Lifeco also held an interest of 27.9% in Portage Capital Solutions.

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

[15] At December 31, 2025, management of Power Sustainable held a 6.6% interest in PSM. Lifeco also held an interest of 20.4% in PSM. PSM also has a long-term incentive program pursuant to which certain key members of management may receive, in the future, compensation in the form of equity of PSM vesting over a 5-year period.

[16] Lifeco also held a 12.9% interest in PSEIP.

Financial Highlights

SELECTED FINANCIAL INFORMATION

Twelve months ended December 31 [in millions of dollars; except per share and as otherwise noted]	2025	2024
Net earnings ^[1]	2,572	2,743
Net earnings from continuing operations ^[1]	2,572	2,792
Adjusted net earnings from continuing operations ^{[1][2]}	3,400	2,971
Per share – basic ^[1]		
Net earnings	4.01	4.23
Net earnings from continuing operations	4.01	4.31
Adjusted net earnings from continuing operations ^[3]	5.31	4.58
Dividend declared (per participating share)	2.4500	2.2500
Dividend yield ^[4]	3.4%	5.0%
Total consolidated assets (in billions)	926	851
Total consolidated assets under management and advisement ^[2] (in billions)	1,433	1,259
Total consolidated assets and assets under administration ^[2] (in billions)	3,971	3,599
Adjusted net asset value ^{[1][2]}	54,526	38,974
Participating shareholders' equity	23,082	22,930
Per share ^[1]		
Adjusted net asset value ^[3]	85.77	60.44
Book value ^[5]	36.31	35.56
Market capitalization ^[6]	46,377	28,913
Share price (Subordinate Voting Shares)		
Ending	72.95	44.84
High	74.91	47.89
Low	41.88	35.83
Number of participating shares outstanding		
End of period	635.7	644.8
Average	640.9	648.1

[1] Attributable to participating shareholders.

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

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

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

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

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

SUMMARY OF THE CONTRIBUTIONS TO POWER CORPORATION'S EARNINGS FROM CONTINUING OPERATIONS

Twelve months ended December 31	2025	2024
Lifeco ^[1]	3,191	2,858
IGM ^[1]	685	586
GBL	(38)	75
Effect of consolidation – Lifeco and IGM ^[2]	(98)	(65)
Publicly traded operating companies	3,740	3,454
Sagard and Power Sustainable	105	(71)
Standalone businesses	(14)	(64)
Corporate operations and Other ^[3]	3,831	3,319
Adjusted net earnings^{[4][5]}	3,400	2,971
Adjustments ^[6]	(828)	(179)
Net earnings^[4]	2,572	2,792

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

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

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

[4] Attributable to participating shareholders.

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

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

2025 Significant Developments and Transactions

POWER CORPORATION

Leadership changes

In February 2026, subsequent to year-end, the Corporation announced that the current President and Chief Executive Officer (CEO), Mr. R. Jeffrey Orr, will become Vice-Chair of the Corporation and will be succeeded as President and CEO by Mr. James O'Sullivan, currently President and CEO of IGM Financial, effective July 1, 2026. These leadership changes are part of a well-planned and robust succession planning process that provides continuity while building on the Power group's momentum.

Mr. Orr will stand for re-election to the Corporation's Board of Directors at the Corporation's upcoming annual meeting of shareholders and is expected to continue to serve on the Boards of IGM, Lifeco and some of their subsidiaries. He is also expected to remain Chair of the Boards of IGM and Lifeco until June 30, 2026.

Return of capital to shareholders

In 2025, the Corporation continued to maintain a strong balance sheet and a prudent amount of available cash and cash equivalents. Total capital returned to participating shareholders in 2025 exceeded \$2.2 billion, including repurchases of its Subordinate Voting Shares under its NCIBs of \$711 million, at an average cost per share of \$57.43, and over \$1.5 billion in dividends paid to participating shareholders. On March 1, 2026, the Corporation renewed its current NCIB, which is effective until the earlier of February 28, 2027 or the date on which the Corporation has purchased the maximum amount of 20 million Subordinate Voting Shares.

HIGHLIGHTS AT THE PUBLICLY TRADED OPERATING COMPANIES

A number of strategic developments and transactions were completed throughout 2025, including:

Lifeco

Disclosure Enhancements: In early 2025, Lifeco updated its disclosures for 2025 to provide enhanced information for analysts, investors and other stakeholders and accordingly has restated the comparative results for 2024 to conform with the updated segment and line of business classifications as noted below. There was no change to total Lifeco adjusted net earnings or net earnings on a consolidated basis as a result of these reclassifications. For additional information, refer to the section "Summary of Earnings Reclassifications" in Lifeco's annual MD&A. Amongst other enhancements, those related to Lifeco's segmented operating results include:

- Separating Workplace Solutions—Separated the Workplace Solutions line of business results into Retirement and Group Benefits to provide greater clarity on the distinct drivers of earnings growth for each business. Within the Group Benefits line of business, key metrics are presented by Lifeco separately for group insurance and administrative services only (ASO) products.
- Reclassifying certain expenses, financing charges and related taxes—Reclassified certain expenses, financing charges, and related taxes and other items that are not directly associated with Lifeco's operating segments to its Corporate segment. This change reflects the performance of each of Lifeco's operating segments on a standalone basis.

- Reclassification of certain businesses or results previously attributed to the United States segment—Reclassified results of PanAgora, Franklin Templeton shareholdings, legacy insurance portfolios and guaranteed lifetime withdrawal benefit (GLWB) product previously attributed to the United States segment to the Corporate segment. As a result of this change, Empower’s results reflect the activities of its core businesses.
- More granular assets under administration disclosures—Enhanced disclosure of the components of total assets under administration including assets under management and advisement and assets under administration only, the total of which is total client assets. Total client assets, when combined with other balance sheet assets, equals total assets under administration. This change provides greater visibility into the scale of wealth management and higher value-added solutions within Lifeco’s portfolio.
- Lifeco’s updated lines of business—Previously referred to as value drivers, Lifeco focuses on four key lines of business that extend across its reportable operating segments.

Business Transformation and Other Costs: As previously announced, between 2025 to 2027, Lifeco plans to incur an estimated \$250 million to \$300 million of after-tax restructuring costs, through investment in modernized technology platforms, and retiring legacy systems as well as enhancing productivity through increased automation and leveraging a global workplace. These restructuring costs are a subset of business transformation and other costs excluded from Lifeco’s adjusted net earnings. In the twelve-month period ended December 31, 2025, Lifeco incurred or provisioned for a net of \$260 million after tax of business transformation and other costs, of which \$73 million after tax was recorded in the fourth quarter of 2025.

Lifeco Normal Course Issuer Bid: Effective on September 5, 2025, Lifeco amended its 2025 NCIB to increase the maximum remaining number of common shares that may be repurchased from 20 million common shares to 40 million common shares. In addition, the TSX approved an amendment that permitted Lifeco to purchase its shares from Power Financial, a subsidiary of the Corporation, and certain of Power Financial’s wholly owned subsidiaries in connection with the NCIB, in order for Power Financial to maintain its approximate proportionate percentage ownership in Lifeco. In the twelve-month period ended December 31, 2025, Lifeco repurchased and subsequently cancelled approximately 28.4 million common shares under its NCIB at an average cost per share of \$57.15, of which 12.8 million common shares for a total of \$768 million were repurchased from Power Financial.

On January 2, 2026, subsequent to year-end, Lifeco announced the renewal of its current NCIB commencing January 6, 2026 and terminating January 5, 2027 to purchase for cancellation up to but not more than 20,000,000 of its common shares at market prices. The renewed NCIB continues to permit Lifeco to purchase its shares from Power Financial in order for Power Financial to maintain its approximate proportionate percentage ownership in Lifeco. For additional information, refer to the section “Consolidated Financial Position—Lifeco Capital Structure” in Lifeco’s annual MD&A.

IGM Financial

Rockefeller Capital Management: In December 2025, IGM closed transactions with Rockefeller, receiving total proceeds of \$394 million comprised primarily of a return of capital, as well as an equity sale. IGM’s interest decreased from 20.5% to 17.2% due to the equity sale and adjustment to certain previously issued share-based awards which aligns Rockefeller’s management with long-term equity ownership. As a result, the investment’s carrying value decreased and a gain was recognized in the Consolidated Statements of Earnings, excluded from adjusted net earnings. IGM will continue to account for its investment in Rockefeller using the equity method.

GBL

Share repurchases: During 2025, GBL repurchased, directly and through its subsidiaries, 4.7 million shares of its own capital for a total consideration of €335 million. During the second quarter of 2025, GBL cancelled 5.2 million of its treasury shares.

PORTFOLIO SIMPLIFICATION

GBL is committed to its stated strategic priorities of (i) portfolio simplification, (ii) direct private investments and (iii) attractive shareholder returns. In 2025, GBL made progress in those strategic priorities:

- **Partial disposal of SGS:** In the first quarter of 2025, GBL completed the disposal of 8.5 million shares of SGS, reducing its interest from 19.1% at December 31, 2024 to 14.6% at March 31, 2025 (14.3% at December 31, 2025), for total proceeds of €0.8 billion, generating a capital gain for GBL of €0.2 billion (no impact on the net consolidated earnings in accordance with IFRS 9). Following the completion of the transaction, GBL is still the largest shareholder of SGS.
- **Investment in Affidea:** In October 2025, GBL invested an additional €150 million in Affidea, an investment originally acquired in 2022 that has since created significant value organically and through accretive investments.
- **GBL Capital portfolio divestments:** On November 3, 2025, GBL announced the monetization of a significant portion of assets from the GBL Capital portfolio. The sale of these assets, through multiple transactions, represents a net asset value of €2.0 billion^[1] and is expected to generate total proceeds of €1.7 billion. In 2025, €1.0 billion was received and a deferred payment of €0.5 billion is to be received twelve months post-closing. The majority of the transactions closed in the fourth quarter of 2025; the transaction value of this portfolio was primarily reflected in the activities of GBL in the third quarter of 2025. GBL Capital also transferred €0.6 billion of unfunded commitments and will no longer make new commitments in this strategy.
- **Sienna Investment Managers:** On December 24, 2025, GBL announced the signing of the agreement to sell certain activities within Sienna Investment Managers, including the listed asset and private debt operations (Sienna Gestion and Sienna Private Credit, respectively), to Malakoff Humanis. The sale includes GBL’s commitments (called and uncalled) in the funds managed by Sienna Gestion and Sienna Private Credit. Subsequent to year-end, GBL announced that it has entered an agreement to sell Sienna Real Estate. Together, these disposals represent a significant portion of the overall Sienna management business. The transactions are expected to close in 2026, subject to regulatory approvals.
- **Disposition of Umicore:** On November 18, 2025, GBL announced the disposition of 19.6 million shares of Umicore, reducing its interest from 15.9% at September 30, 2025 to 8.0% at December 31, 2025, for total proceeds of €0.3 billion. Subsequent to year end, on February 25, 2026, GBL announced the exit of its remaining position in Umicore in the context of portfolio simplification, aligned with its key strategic priorities. GBL disposed of its remaining 8.0% interest or 19.6 million shares for total proceeds of €0.3 billion. The investment in Umicore was classified as FVOCI in accordance with IFRS 9 and therefore these disposals have no impact on GBL’s net consolidated earnings.
- **Dividend increase:** In March 2026, subsequent to year-end, GBL announced that it will propose a dividend of €5.125 per share for fiscal year 2025, an increase of 2.5%. The dividend is subject to approval at GBL’s General Shareholders’ Meeting in May 2026.

[1] As at December 31, 2024.

HIGHLIGHTS AT THE ALTERNATIVE ASSET INVESTMENT PLATFORMS

Fundraising

In 2025, the alternative asset investment platforms continued their fundraising efforts, raising total capital commitments (refer to the section “Other Measures”) of \$5.4 billion^[1], including the following.

Sagard

- **Portage Ventures IV:** In 2025, Sagard raised additional commitments of US\$95 million, increasing the total committed capital to US\$524 million at December 31, 2025.
- **PPCVI:** In January 2026, Portage, Sagard’s global fintech investment platform, closed a transaction to assume management of select assets from Point72 Ventures’ fintech portfolio. The assets were transferred to a US\$280 million continuation vehicle managed by an affiliate of Portage.
- **Sagard NewGen:** In 2025, Sagard launched its second fund, Sagard NewGen 2, in its European private equity investment strategy that supports entrepreneurs in the technology and healthcare industry, raising commitments of up to €220 million at December 31, 2025.
- **Sagard Private Equity:** In January 2025, Sagard announced the launch of its evergreen private equity investment fund for Canadian accredited investors, Sagard Private Equity Strategies. The fund had total subscriptions of \$71 million at December 31, 2025.
- **Sagard Credit Partners:** In 2025, Sagard launched its third credit fund, Sagard Credit Partners III, and commenced fundraising, raising total commitments of US\$624 million.
- **Performance Equity Management:** In 2025, Sagard’s subsidiary, PEM, operating as Sagard Private Equity Solutions since its rebranding in November 2025, raised over US\$0.9 billion in additional commitments across its strategies.

Power Sustainable

- **Power Sustainable Decarbonization Private Equity:** In May 2025, Power Sustainable announced the launch of its fourth investment strategy, Power Sustainable Decarb PE, raising commitments of up to US\$330 million for the new middle-market private equity strategy.
- **Power Sustainable Infrastructure Credit:** In December 2025, Power Sustainable completed the final close of its first global infrastructure credit fund, raising additional commitments of US\$96 million in 2025, increasing the total committed capital of the strategy to US\$811 million.

Other Developments

Sagard

INVESTMENTS IN SHMI

- **GBL investment in SHMI:** In March 2025, GBL, through GBL Capital, invested US\$33 million and acquired a 5% interest (on a fully diluted basis) in SHMI. GBL also agreed to make future commitments of €250 million over the following five years in Sagard-managed strategies. This partnership reinforces Sagard’s long-term growth strategy, strengthening its capital base as well as solidifying GBL’s relationship as an anchor limited partner (LP) in certain strategies.
- **Baird Financial Group (Baird) investment in SHMI:** On September 9, 2025, Sagard and Baird announced a multi-faceted strategic partnership expected to accelerate their U.S. wealth channel expansion. As part of the partnership, Baird invested US\$34 million and acquired a 5% interest (on a fully diluted basis) in SHMI, and Baird will facilitate the distribution of appropriate, differentiated Sagard strategies to its private wealth network clients, with joint efforts on product innovation, advisor engagement, and ecosystem-wide growth.

The Corporation remains the controlling shareholder of SHMI subsequent to these transactions and the transactions did not have a significant impact on the consolidated financial statements.

STRATEGIC PARTNERSHIPS BY SHMI

- **SHMI acquisition of BEX Capital SAS (BEX):** In June 2025, SHMI completed the previously announced transaction to acquire a strategic interest in BEX, a specialized secondaries investment firm with offices in Nice and New York. Sagard’s investment in BEX marks a significant step in its expansion into private equity secondaries. The agreement includes a path for Sagard to acquire all of the remaining equity of BEX on December 31, 2029. Upon closing of the transaction, the Corporation determined that it has control of BEX, through Sagard, in accordance with IFRS 10, *Consolidated Financial Statements*. As a result, the Corporation consolidated BEX on the date of acquisition. BEX had \$3.3 billion (US\$2.4 billion) of assets under management at December 31, 2025.
- **Additional investment in Performance Equity Management (PEM):** In August 2025, SHMI acquired an additional 62.0% interest in PEM, increasing its economic interest to 100%, primarily in exchange for Class B shares of PEM which are expected to be settled on December 31, 2028. The acquisition of the remaining economic interest in PEM will facilitate collaboration and integration within Sagard’s growing strategy in private equity investment solutions. The Corporation continues to have control of PEM, through Sagard, in accordance with IFRS 10, *Consolidated Financial Statements*; the transaction did not have a significant impact on the financial statements. In November 2025, PEM announced that it had rebranded as Sagard Private Equity Solutions, marking the completion of its integration into Sagard’s global middle-market private equity platform.
- **SHMI acquisition of Unigestion Private Equity Holding SA (Unigestion) private equity business:** On September 23, 2025, Sagard and Unigestion announced the combination of their middle-market private equity businesses, combining their private equity primaries, secondaries and co-investment activities. The new platform, Sagard Private Equity Solutions, which includes BEX and PEM (and excludes Sagard’s direct private equity strategies), will manage over US\$23 billion^[2] in private equity assets and will offer an enhanced geographical reach and product scope, delivering bespoke and scalable private equity solutions across primaries, secondaries and co-investments to institutional and high-net-worth investors. The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals and customary closing conditions. The Corporation, through Sagard, expects to acquire 100% of the equity of Unigestion and as such consolidate the private equity activities of Unigestion subsequent to closing of the transaction.

FINTECH INVESTMENTS

WEALTHSIMPLE

On October 27, 2025, Wealthsimple announced that it had signed a \$750 million equity offering, consisting of a \$550 million primary offering, as well as a secondary offering. The fundraising round was led by GIC and Dragoneer Investment Group, and included participation from new and existing investors. On October 31, 2025, the primary offering closed and the Corporation, through Power Financial, and IGM each invested \$100 million. Following the transaction, the Power group’s undiluted equity interest in Wealthsimple decreased to 52.4%, representing a voting interest of 57.5% and a fully diluted equity interest of 40.7% at December 31, 2025. The Corporation remains the controlling shareholder of Wealthsimple. A secondary transaction totalling \$190 million closed on December 19, 2025.

[1] Includes commitments from the Corporation, associated companies and third parties. Refer to the section “Sagard and Power Sustainable” in the section “Review of Segments and Operating Results”.

[2] As at June 30, 2025.

Results of Power Corporation

This section presents:

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

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

BASIS OF PRESENTATION

IFRS Financial Measures and Presentation

The 2025 Consolidated Financial Statements of the Corporation have been prepared in accordance with IFRS, as issued by the IASB, and are presented in Canadian dollars.

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

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

Presentation of the Holding Company

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

The holding company comprises the corporate activities of the Corporation and Power Financial, on a combined basis, and presents the investment activities of the Corporation. The investment activities of the holding company, including the investments in Lifeco, IGM and controlled entities within the alternative asset investment platforms, are presented using the equity method. The holding company activities present the holding company’s assets and liabilities, including cash, investments, debentures and non-participating shares. The discussions included in the sections “Financial Position” and “Cash Flows” present the segmented balance sheets and cash flow statements of the holding company, which are presented in Note 35 of the 2025 Consolidated Financial Statements, and reconciliations of these statements are provided throughout this review of financial performance.

CONSOLIDATED STATEMENTS OF EARNINGS IN ACCORDANCE WITH IFRS

Power Corporation's consolidated statements of earnings for the twelve months ended December 31, 2025 are presented below. The Corporation's reportable segments include Lifeco, IGM and GBL, as well as the holding company. This table reflects the contributions to the net earnings attributable to Power Corporation's participating shareholders from its reportable segments and Sagard and Power Sustainable, the Corporation's alternative asset investment platforms, which include controlled and consolidated investment funds and investments, and the Corporation's standalone businesses.

Consolidated Net Earnings

	Lifeco	IGM	GBL	Holding company	Alternative Asset Investment Platforms and Other ^[1]	Effect of consolidation ^[2]	Power Corporation Consolidated net earnings	
							2025	2024
Twelve months ended December 31							2025	2024
Insurance service result								
Insurance revenue	22,321	–	–	–	–	–	22,321	21,214
Insurance service expenses	(17,239)	–	–	–	–	–	(17,239)	(16,368)
Net expense from reinsurance contracts	(1,703)	–	–	–	–	–	(1,703)	(1,599)
Total insurance service result	3,379	–	–	–	–	–	3,379	3,247
Net investment result								
Net investment income (loss) ^[3]	13,705	42	–	34	1,160	(92)	14,849	12,237
Net investment result from insurance activities ^[4]	(11,683)	–	–	–	–	–	(11,683)	(8,860)
Total net investment result	2,022	42	–	34	1,160	(92)	3,166	3,377
Fee income and other revenues	7,895	3,779	–	–	1,854	(232)	13,296	11,804
Operating and administrative expenses	(8,277)	(2,560)	–	(216)	(3,372)	247	(14,178)	(12,462)
Financing charges	(379)	(129)	–	(54)	(281)	(6)	(849)	(812)
Earnings before investments in jointly controlled corporations and associates, and income taxes	4,640	1,132	–	(236)	(639)	(83)	4,814	5,154
Share of earnings (losses) of investments in jointly controlled corporations and associates	55	309	(263)	–	482	(121)	462	376
Earnings before income taxes	4,695	1,441	(263)	(236)	(157)	(204)	5,276	5,530
Income tax expense (recovery)	534	334	–	1	8	1	878	929
Net earnings – continuing operations	4,161	1,107	(263)	(237)	(165)	(205)	4,398	4,601
Net loss – discontinued operations	–	–	–	–	–	–	–	(115)
Net gain – disposal of discontinued operations	–	–	–	–	–	–	–	44
Net earnings	4,161	1,107	(263)	(237)	(165)	(205)	4,398	4,530
Attributable to								
Non-controlling interests	1,540	449	–	139	(152)	(205)	1,771	1,735
Non-participating shareholders	–	–	–	55	–	–	55	52
Participating shareholders of Power Corporation ^[2]	2,621	658	(263)	(431)	(13)	–	2,572	2,743
	4,161	1,107	(263)	(237)	(165)	(205)	4,398	4,530

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

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

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

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

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

CONTRIBUTION TO NET EARNINGS AND ADJUSTED NET EARNINGS

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

Twelve months ended December 31	2025	2024
Adjusted net earnings from continuing operations^[1]		
Lifeco ^[2]	3,191	2,858
IGM ^[2]	685	586
GBL	(38)	75
Effect of consolidation – Lifeco and IGM ^[3]	(98)	(65)
	3,740	3,454
Sagard and Power Sustainable	105	(71)
Standalone businesses	(14)	(64)
Corporate operations and Other ^[4]	(431)	(348)
	3,400	2,971
Adjustments^[5]		
Lifeco ^[2]	(473)	(123)
IGM ^[2]	5	(3)
GBL	(225)	(44)
Effect of consolidation – Lifeco and IGM	(31)	(9)
	(724)	(179)
Sagard and Power Sustainable	(116)	(26)
Standalone businesses	12	26
	(828)	(179)
Net earnings from continuing operations^[6]		
Lifeco ^[2]	2,718	2,735
IGM ^[2]	690	583
GBL ^[2]	(263)	31
Effect of consolidation – Lifeco and IGM	(129)	(74)
	3,016	3,275
Sagard and Power Sustainable	(11)	(97)
Standalone businesses	(2)	(38)
Corporate operations and Other ^[4]	(431)	(348)
	2,572	2,792
Net earnings (loss) from discontinued operations – Putnam	–	(49)
Net earnings^[6]	2,572	2,743

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

[2] Contribution to net and adjusted net earnings based on earnings reported by Lifeco and IGM. Contribution to net earnings based on earnings reported by GBL.

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

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

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

[6] Attributable to participating shareholders.

Adjusted and Net Earnings Per Share

Twelve months ended December 31	2025	2024
Earnings per share – basic⁽¹⁾		
Adjusted net earnings from continuing operations	5.31	4.58
Adjustments	(1.30)	(0.27)
Net earnings from continuing operations	4.01	4.31
Net earnings (loss) from discontinued operations – Putnam	–	(0.08)
Net earnings	4.01	4.23

[1] Attributable to participating shareholders.

EFFECT OF CONSOLIDATION

Effect of consolidation reflects:

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

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

Twelve months ended December 31	2025	2024
Lifeco	(53)	(48)
IGM ⁽¹⁾	(45)	(17)
	(98)	(65)

[1] The twelve-month period ended December 31, 2025 includes a charge of \$52 million related to IGM's share of the carried interest payable due to the increase in fair value of the investment held in Wealthsimple through a limited partnership managed by Sagard (\$33 million in the twelve-month period ended December 31, 2024).

2025 vs. 2024

Net earnings	\$2,572 million or \$4.01 per share, compared with \$2,743 million or \$4.23 per share in the corresponding period in 2024, a decrease of 5.2% on a per share basis.
Net earnings from continuing operations	\$2,572 million or \$4.01 per share, compared with \$2,792 million or \$4.31 per share in the corresponding period in 2024, a decrease of 7.0% on a per share basis.
Adjusted net earnings from continuing operations	\$3,400 million or \$5.31 per share, compared with \$2,971 million or \$4.58 per share in the corresponding period in 2024, an increase of 15.9% on a per share basis.
Contribution to net earnings and adjusted net earnings from continuing operations from Lifeco, IGM and GBL	Contribution to net earnings from continuing operations of \$3,016 million, compared with \$3,275 million in the corresponding period in 2024, a decrease of 7.9%. Contribution to adjusted net earnings from continuing operations of \$3,740 million, compared with \$3,454 million in the corresponding period in 2024, an increase of 8.3%.

Main Drivers of Earnings

Net earnings and adjusted net earnings from continuing operations

The Corporation's net earnings for the twelve-month period ended December 31, 2025 decreased by \$220 million or 7.9% and adjusted net earnings increased by \$429 million or 14.4% from the corresponding period in 2024:

- **Lifeco:** contribution to net earnings decreased by \$17 million or 0.6% and contribution to adjusted net earnings increased by \$333 million or 11.7%.
- **IGM:** contribution to net earnings and adjusted net earnings increased by \$107 million or 18.4%, and by \$99 million or 16.9%, respectively.
- **GBL:** contribution to net earnings of negative \$263 million and to adjusted net earnings of negative \$38 million in the twelve-month period ended December 31, 2025, compared with a contribution to net earnings and adjusted net earnings of positive \$31 million and positive \$75 million, respectively, in the corresponding period in 2024.
- **Sagard and Power Sustainable:** net earnings (asset management and investing activities) include a positive contribution of \$158 million from Sagard and a negative contribution of \$169 million from Power Sustainable in the twelve-month period ended December 31, 2025, compared with a positive contribution of \$81 million from Sagard and a negative contribution of \$178 million from Power Sustainable in the corresponding period in 2024. Adjusted net earnings (asset management and investing activities) include a positive contribution of \$158 million from Sagard and a negative contribution of \$53 million from Power Sustainable, compared with a positive contribution of \$65 million from Sagard and a negative contribution of \$136 million from Power Sustainable in the corresponding period in 2024.

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

For additional discussion of the results of Lifeco and IGM, refer to their respective annual MD&A.

Review of Segments and Operating Results

PUBLICLY TRADED OPERATING COMPANIES

Lifeco

OVERVIEW OF THE BUSINESS

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

The United States segment is operated by Empower, a leading provider of employer-sponsored retirement savings plans in the public/non-profit and corporate sectors. Empower consists of: Empower Workplace Solutions, which aligns with the Retirement line of business, offering saving, investing and advisory services through employer-sponsored plans; and Empower Personal Wealth, which aligns with the Wealth line of business, offering individual product solutions and providing retail wealth management products and services to individuals, including individual retirement accounts and after-tax investment accounts. The United States segment also includes an allocation of a portion of Lifeco's Corporate results and the results of Putnam, classified as discontinued operations in 2024.

The Canada segment is operated by Canada Life, offering a broad portfolio of financial and benefit plan solutions for individuals, families, businesses and organizations through four primary lines of business: Retirement, Wealth, Group Benefits and Insurance & Annuities and includes an allocation of a portion of Lifeco's Corporate results. Through the Retirement business unit, Lifeco provides retirement savings, income and annuity products and other speciality products to group clients in Canada. Through the Wealth business unit, Canada Life provides wealth savings and income products and services to individual customers. Through the Group Benefits business unit,

Canada Life provides life, accidental death and dismemberment, critical illness, disability, health and dental protection and creditor insurance to group clients in Canada. The Insurance & Annuities business unit offers individual life, disability and critical illness insurance products and services, as well as individual life annuities to individual customers.

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

The Capital and Risk Solutions segment includes Lifeco's reinsurance business under the Insurance & Risk Solutions line of business, which operates primarily in the U.S., Barbados, Bermuda and Ireland, and includes an allocation of a portion of Lifeco's Corporate results. Reinsurance products are provided through Canada Life and its subsidiaries and include both reinsurance and retrocession business transacted directly with clients or through reinsurance brokers. In June 2025, Lifeco announced that the Capital and Risk Solutions segment ceased new business for its U.S. traditional life mortality risk reinsurance line of business in order to increase focus on core markets of structured solutions, longevity reinsurance and catastrophe retrocession.

The Corporate segment includes operating results for activities of Lifeco that are not associated with the major business units, including certain overhead expenses, earnings on surplus, financing charges and related taxes not directly associated with the operations of the major business units, the results of PanAgora, dividend income from shareholdings in Franklin Templeton, and the results of the U.S. insurance portfolio including a retained block of life insurance, predominately participating policies, which are now administered by Protective Life Insurance Company, as well as a closed life retrocession block and GLWB products.

For additional information on Lifeco, refer to its annual MD&A.

RESULTS**Contribution to Power Corporation**

Twelve months ended December 31	2025	2024
Average direct ownership (%)	68.6	68.2
Contribution to earnings		
Net earnings from continuing operations	2,621	2,661
Adjusted net earnings from continuing operations	3,138	2,810
Dividend received	1,544	1,411
As at December 31	2025	2024
Contribution to holding company balance sheets		
Investment in Lifeco, carrying value	17,237	17,108
% of total holding company assets	58.4	59.6
Investment in Lifeco, fair value	42,147	30,292
% of total holding company assets, at fair value	69.2	67.7

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

Twelve months ended December 31	2025	2024
Contribution to Power Corporation's:		
Adjusted net earnings from continuing operations		
As reported by Lifeco	3,191	2,858
Effect of consolidation ^[1]	(53)	(48)
	3,138	2,810
Adjustments		
As reported by Lifeco	(473)	(123)
Effect of consolidation ^[2]	(44)	(26)
	(517)	(149)
Net earnings from continuing operations	2,621	2,661
Net earnings (loss) from discontinued operations—Putnam	—	(48)
Net earnings	2,621	2,613

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

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

Adjusted and net earnings per share as reported by Lifeco

Twelve months ended December 31	2025	2024
Adjusted net earnings from continuing operations ^{[1][2]}	5.03	4.50
Adjustments ^[3]	(0.74)	(0.20)
Net earnings from continuing operations ^[1]	4.29	4.30
Net earnings^[1]	4.29	4.23

[1] Attributable to Lifeco common shareholders.

[2] Defined as "base earnings per common share" by Lifeco, a non-IFRS ratio, in its public disclosure. Refer to the section "Disclosures Concerning Public Investees Information" in this document.

[3] See the section "Adjustments" below.

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

Twelve months ended December 31	2025	2024 (restated) ^[1]
Adjusted net earnings from continuing operations^{[2][3]}		
United States	1,582	1,408
Canada	1,462	1,418
Europe	1,023	946
Capital and Risk Solutions	965	856
Corporate	(383)	(436)
	4,649	4,192
Adjustments^[4]		
Market experience relative to expectations	(216)	214
Assumption changes and management actions	(87)	(149)
Business transformation and other impacts	(260)	(112)
Amortization of acquisition-related finite life intangible assets	(148)	(148)
Tax legislative changes and other tax impacts	22	14
	(689)	(181)
Net earnings from continuing operations^[2]		
United States	1,436	1,229
Canada	1,464	1,640
Europe	609	930
Capital and Risk Solutions	861	656
Corporate	(410)	(444)
Net earnings from continuing operations^[2]	3,960	4,011
Net earnings (loss) from discontinued operations—Putnam	—	(115)
Net gain from disposal of discontinued operations—Putnam	—	44
Net earnings^[2]	3,960	3,940

[1] In 2025, Lifeco made disclosure enhancements to the segment and line of business classifications and has restated the comparative results for 2024 to conform with the current presentation. For additional information, refer to the section “Summary of Earnings Reclassifications” in Lifeco’s annual MD&A.

[2] Attributable to Lifeco common shareholders.

[3] Defined as “base earnings (loss)” by Lifeco, a non-IFRS financial measure, in its public disclosure. Refer to the section “Disclosures Concerning Public Investees Information” in this document.

[4] See the section “Adjustments” below. Described as “items excluded from base earnings” by Lifeco.

2025 vs. 2024

Net earnings	\$3,960 million or \$4.29 per share, compared with \$3,940 million or \$4.23 per share in the corresponding period in 2024, an increase of 1.4% on a per share basis.
Net earnings from continuing operations	\$3,960 million or \$4.29 per share, compared with \$4,011 million or \$4.30 per share in the corresponding period in 2024, a decrease of 0.2% on a per share basis.
Adjusted net earnings from continuing operations	\$4,649 million or \$5.03 per share, compared with \$4,192 million or \$4.50 per share in the corresponding period in 2024, an increase of 11.8% on a per share basis.

UNITED STATES (Continuing Operations)

Net earnings from continuing operations in the twelve-month period ended December 31, 2025 increased by US\$135 million (C\$207 million) to US\$1,031 million (C\$1,436 million), compared with the corresponding period in 2024. Adjusted net earnings were US\$1,136 million (C\$1,582 million) in the twelve-month period ended December 31, 2025, an increase of US\$108 million (C\$174 million), compared with the corresponding period in 2024, primarily due to:

- Higher fee and spread income driven by higher asset levels from elevated equity markets and participant growth in both the Retirement and Wealth businesses; and
- Favourable tax adjustments in the Retirement business.

Partially offset by:

- An increase in operating expenses incurred to support the growth in both the Retirement and Wealth businesses; and
- Higher credit-related impacts on invested assets in both the Retirement and Wealth businesses.

Adjusted net earnings in the twelve-month period ended December 31, 2025 excluded Adjustments of negative US\$105 million (C\$146 million), compared with negative US\$132 million (C\$179 million) in the corresponding period in 2024. The decrease in negative adjustments was primarily due to:

- The non-recurrence of prior-year Prudential integration and restructuring expenses;
- Model refinement in the current year, which was recognized in both the Retirement and Wealth businesses; and
- Favourable tax adjustments recognized in the current year in the Retirement business;
- Partially offset by higher guarantee assessment fees in the current year compared with the prior year.

CANADA

Net earnings in the twelve-month period ended December 31, 2025 decreased by \$176 million to \$1,464 million, compared with the corresponding period in 2024. Adjusted net earnings in the twelve-month period ended December 31, 2025 were \$1,462 million, an increase of \$44 million compared with the corresponding period in 2024, primarily due to:

- Higher Group Benefits earnings from favourable long-term disability experience;
- Higher Retirement earnings from asset growth driven by market appreciation; and
- Changes in certain tax estimates;
- Partially offset by lower earnings on surplus from lower interest rates.

Adjusted net earnings in the twelve-month period ended December 31, 2025 excluded Adjustments of positive \$2 million, compared with Adjustments of positive \$222 million in the corresponding period in 2024, primarily due to:

- A restructuring provision recorded in the second quarter of 2025;
- Less favourable impact of assumption changes and management actions. For additional information, refer to the section "Assumption Changes and Management Actions" in Lifeco's annual MD&A; and
- Less favourable interest rate and public equity impacts;
- Partially offset by improved credit spread and private equity performance.

EUROPE

Net earnings in the twelve-month period ended December 31, 2025 decreased by \$321 million to \$609 million, compared with the corresponding period in 2024. Adjusted net earnings in the twelve-month period ended December 31, 2025 were \$1,023 million, an increase of \$77 million compared with the corresponding period in 2024, primarily due to:

- Higher Group Benefits earnings from favourable experience in the U.K. and Ireland;
- Higher Wealth earnings from higher fee income driven by client assets growth; and
- Positive impact of currency movements across all lines of business;
- Partially offset by lower earnings on surplus resulting from dividends paid to the parent holding company and lower trading gains.

Adjusted net earnings in the twelve-month period ended December 31, 2025 excluded Adjustments of negative \$414 million, compared with Adjustments of negative \$16 million in the corresponding period in 2024, primarily due to:

- More unfavourable assumption changes and management actions. For additional information, refer to the section "Assumption Changes and Management Actions" in Lifeco's annual MD&A;
- Unfavourable market experience relative to expectations compared with a positive impact in the prior year, primarily due to the impact of a reduction in credit spreads in the U.K. and from changes in risk-free interest rates; and
- Negative business transformation and other impacts, primarily due to higher restructuring costs.

CAPITAL AND RISK SOLUTIONS

Net earnings in the twelve-month period ended December 31, 2025 increased by \$205 million to \$861 million, compared with the corresponding period in 2024. Adjusted net earnings in the twelve-month period ended December 31, 2025 were \$965 million, an increase of \$109 million compared with the corresponding period in 2024, primarily driven by Capital Solutions new business growth, and modest unfavourable insurance experience as a result of fourth quarter seasonality and the benefit of a diversified portfolio.

Adjusted net earnings in the twelve-month period ended December 31, 2025 excluded Adjustments of negative \$104 million, compared with Adjustments of negative \$200 million in the corresponding period in 2024, primarily due to the change in net impact of actuarial assumption updates, and the impact of interest rate and credit spread movements relative to expectations. For additional information, refer to the section "Assumption Changes and Management Actions" in Lifeco's annual MD&A.

ADJUSTMENTS

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

In 2025, Adjustments with a net negative earnings impact of \$689 million after tax consist of:

- In the fourth quarter of 2025, Adjustments were a net negative impact of \$197 million, which consisted of business transformation and other impacts of negative \$73 million after tax (negative \$91 million pre-tax), market experience relative to expectations of negative \$61 million after tax (negative \$84 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$36 million after tax (negative \$49 million pre-tax), and assumption changes and management actions of negative \$27 million after tax (negative \$28 million pre-tax).
- In the third quarter of 2025, Adjustments were a net negative impact of \$67 million, which consisted of business transformation and other impacts of negative \$56 million after tax (negative \$68 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$37 million after tax (negative \$47 million pre-tax), and assumption changes and management actions of negative \$25 million after tax (negative \$25 million pre-tax), partially offset by market experience relative to expectations of positive \$40 million after tax (positive \$47 million pre-tax), and a positive impact from tax legislative changes and other tax impacts of \$11 million.
- In the second quarter of 2025, Adjustments were a net negative impact of \$255 million, which consisted of business transformation and other impacts^[1] of negative \$121 million after tax (negative \$181 million pre-tax), market experience relative to expectations of negative \$104 million after tax (negative \$116 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$38 million after tax (negative \$51 million pre-tax), and assumption changes and management actions of negative \$3 million after tax (negative \$5 million pre-tax), partially offset by a positive impact from tax legislative changes and other tax impacts of \$11 million.
- In the first quarter of 2025, Adjustments were a net negative impact of \$170 million, which consisted of market experience relative to expectations of negative \$91 million after tax (negative \$113 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$37 million after tax (negative \$51 million pre-tax), assumption changes and management actions of negative \$32 million after tax (negative \$42 million pre-tax), and business transformation and other impacts of negative \$10 million after tax (negative \$13 million pre-tax).

In 2024, Adjustments with a net negative earnings impact of \$181 million after tax consisted of:

- In the fourth quarter of 2024, Adjustments were a net positive impact of \$1 million, which consisted of market experience relative to expectations of positive \$38 million after tax (positive \$59 million pre-tax), assumption changes and management actions of positive \$16 million after tax (positive \$21 million pre-tax), and a positive impact from tax legislative changes and other tax impacts of \$14 million, partially offset by amortization of acquisition-related finite life intangibles of negative \$37 million after tax (negative \$51 million pre-tax), and business transformation impacts of negative \$30 million after tax (negative \$34 million pre-tax).
- In the third quarter of 2024, Adjustments were a net negative impact of \$202 million, which consisted of assumption changes and management actions of negative \$203 million after tax (negative \$235 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$36 million after tax (negative \$47 million pre-tax), and business transformation and other impacts of negative \$4 million after tax (negative \$7 million pre-tax), partially offset by market experience relative to expectations of positive \$41 million after tax (positive \$46 million pre-tax).
- In the second quarter of 2024, Adjustments were a net negative impact of \$33 million, which consisted of business transformation and other impacts of negative \$29 million after tax (negative \$35 million pre-tax), amortization of acquisition-related finite life intangibles of negative \$37 million after tax (negative \$52 million pre-tax), and a negative impact from tax legislative changes^[2] of \$34 million, partially offset by assumption changes and management actions of positive \$39 million after tax (positive \$1 million pre-tax) and market experience relative to expectations of positive \$28 million after tax (positive \$45 million pre-tax).
- In the first quarter of 2024, Adjustments were a net positive impact of \$53 million, which consisted of market experience relative to expectations of positive \$107 million after tax (positive \$136 million pre-tax) and a positive impact from tax legislative changes and other tax impacts^[2] of \$34 million, partially offset by assumption changes and management actions of negative \$1 million after tax (positive \$3 million pre-tax), business transformation and other impacts of negative \$49 million after tax (negative \$67 million pre-tax), and amortization of acquisition-related finite life intangibles of negative \$38 million after tax (negative \$50 million pre-tax).

The information above has been derived from Lifeco's annual MD&A. Lifeco's most recent annual MD&A is available under its profile on SEDAR+ (www.sedarplus.ca).

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

[2] The GMT legislation was enacted in Canada on June 20, 2024, retroactive to January 1, 2024. The negative impact recognized in the second quarter of 2024 included a \$34 million retroactive impact for the first quarter of 2024 as a result of Canada's enactment of legislation in the second quarter. The adjusted net earnings for the first quarter of 2024 have been presented on a pro forma basis as if the legislation had been enacted in the first quarter of 2024, reflecting the impact to adjusted net earnings of \$34 million. Refer to Lifeco's annual MD&A for further details.

IGM Financial

OVERVIEW OF THE BUSINESS

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

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

services, as well as IGM's strategic investments in Rockefeller (classified as an investment in an associate) and Wealthsimple (classified by IGM as an investment at FVOCI).

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

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

For additional information on IGM, refer to its annual MD&A.

RESULTS

Contribution to Power Corporation

Twelve months ended December 31	2025	2024
Average direct ownership (%)	62.6	62.3
Contribution to earnings		
Net earnings from continuing operations	658	583
Adjusted net earnings from continuing operations	640	569
Dividend received	333	333
As at December 31	2025	2024
Contribution to holding company balance sheets		
Investment in IGM, carrying value	4,337	4,094
% of total holding company assets	14.7	14.3
Investment in IGM, fair value	9,144	6,792
% of total holding company assets, at fair value	15.0	15.2

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

Twelve months ended December 31	2025	2024
Contribution to Power Corporation's		
Adjusted net earnings from continuing operations		
As reported by IGM ^[1]	685	586
Effect of consolidation ^[2]	(45)	(17)
	640	569
Adjustments		
As reported by IGM	5	(3)
Effect of consolidation ^[3]	13	17
	18	14
Net earnings from continuing operations	658	583
Net earnings (loss) from discontinued operations		
Effect of consolidation ^[4]	–	(1)
Net earnings	658	582

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

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

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

[4] Represents IGM's share of the discontinued operations of Lifeco.

Adjusted and net earnings per share as reported by IGM

Twelve months ended December 31	2025	2024
Adjusted net earnings ^{[1][2]}	4.61	3.95
Adjustments ^{[3][4]}	0.03	(0.02)
Net earnings^{[1][5]}	4.64	3.93

[1] Available to IGM common shareholders.

[2] Adjusted net earnings per share is identified as a non-IFRS ratio in IGM's public disclosure. Refer to the section "Disclosures Concerning Public Investees Information" in this document.

[3] See the section "Adjustments" below.

[4] Described as "Other items" by IGM in its public disclosure. Refer to the section "Disclosures Concerning Public Investees Information" in this document.

[5] Diluted earnings per share.

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

Twelve months ended December 31	2025	2024
Wealth Management ^[1]	591	478
Asset Management ^[1]	377	350
Corporate and Other ^[1]	125	111
Adjusted net earnings ^{[2][3]}	1,093	939
Adjustments ^{[3][4]}	8	(5)
Net earnings^[2]	1,101	934

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

[2] Available to IGM common shareholders.

[3] Adjusted net earnings is identified as a non-IFRS financial measure in IGM's public disclosure. Refer to the section "Disclosures Concerning Public Investees Information" in this document. IGM does not allocate Adjustments to segments.

[4] Described as "Other items" by IGM in its public disclosure. Refer to the section "Disclosures Concerning Public Investees Information" in this document.

2025 vs. 2024

Net earnings	\$1,101 million or \$4.64 per share, compared with \$934 million or \$3.93 per share in the corresponding period in 2024, an increase of 18.1% on a per share basis.
Adjusted net earnings	\$1,093 million or \$4.61 per share, compared with \$939 million or \$3.95 per share in the corresponding period in 2024, an increase of 16.7% on a per share basis.

Adjusted net earnings exclude Adjustments of a positive earnings impact of \$8 million in the twelve-month period ended December 31, 2025, compared with Adjustments of a negative earnings impact of \$5 million in the corresponding period in 2024. These Adjustments are not allocated to segments. The following is a summary of each segment's net earnings and adjusted net earnings:

WEALTH MANAGEMENT

Adjusted net earnings increased by \$113 million to \$591 million in the twelve-month period ended December 31, 2025, compared with the corresponding period in 2024. Adjusted net earnings of Wealth Management include a positive contribution from strategic investments of \$9 million, compared with a negative contribution of \$12 million in the corresponding period in 2024. The contribution to adjusted net earnings from IG Wealth Management increased by \$92 million to \$582 million, primarily due to:

- An increase in income from advisory fees of \$145 million to \$1,440 million, primarily due to the increase in average assets under advisement (AUA)^[1] of 12.9%, partially offset by a decrease in the advisory fee rate and one less calendar day in the twelve-month period of 2025, compared with the same period in 2024. The average advisory fee rate for the twelve-month period was 97.3 basis points of average AUA, compared with 98.8 basis points in the corresponding period in 2024. Fee rates are determined based on client AUA levels and the average rate will fluctuate based on changes in a client's AUA as well as product mix;
- An increase in income from product and program fees of \$118 million to \$1,113 million, primarily due to the increase in average assets under management (AUM)^[1] of 12.5%. The average product and program fee rate for the twelve-month period was 85.2 basis points of AUM, compared with 85.6 basis points in the corresponding period in 2024; and
- An increase in other financial planning revenues of \$25 million to \$180 million, primarily due to higher earnings from mortgage banking operations and higher revenues from the distribution of insurance products.

Partially offset by:

- An increase in advisory and business development expenses of \$119 million to \$1,153 million in the twelve-month period which includes compensation paid to advisors, the majority of which varies directly with asset or sales levels. Asset-based compensation increased by \$97 million to \$762 million, primarily due to an increase in AUA. Sales-based compensation payments are based upon the level of net new assets contributed to client accounts and are capitalized and amortized as they reflect incremental costs to obtain a client contract. Sales-based compensation increased by \$10 million to \$115 million. Other advisory and business development expenses increased by \$12 million to \$276 million in the twelve-month period, primarily due to higher compensation paid on the distribution of insurance products;
- An increase in sub-advisory expenses of \$25 million to \$216 million, primarily due to changes in AUM;
- An increase in operations and support expenses of \$13 million to \$475 million, which includes costs that support wealth management and other general and administrative functions such as product management, technology and operations, as well as other functional business units and corporate expenses;
- A decrease in net investment income and other of \$4 million to \$8 million. Net investment income and other consists of unrealized gains or losses on investments in proprietary funds, investment income earned on cash and cash equivalents and securities, and other income not related to IG Wealth Management's core business. It also includes a charge from the Corporate and Other segment for the use of unallocated capital; and
- An increase in income taxes of \$34 million to \$212 million.

ASSET MANAGEMENT

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

Adjusted net earnings increased by \$27 million to \$377 million in the twelve-month period ended December 31, 2025, compared with the corresponding period in 2024. Adjusted net earnings of Asset Management includes a positive contribution of \$138 million from strategic investments, compared with \$116 million in the corresponding period in 2024. The adjusted net earnings of Mackenzie increased by \$5 million to \$239 million, primarily due to:

- An increase in net asset management fees, which is asset management fees offset by dealer compensation expenses, of \$51 million to \$834 million. Net asset management fees—third party were \$701 million, an increase of \$39 million compared with the corresponding period in 2024, primarily due to an increase in the average AUM of 11.4%, partially offset by a decrease in the net asset management fee rate and one less calendar day in the twelve-month period of 2025. Mackenzie's net asset management fee rate was 50.0 basis points for the twelve months ended December 31, 2025, compared with 52.9 basis points in the corresponding period in 2024. The decrease in rate was driven by a change in the composition of AUM, including the impact of having a greater share in non-retail-priced products. Asset management fees—Wealth Management were \$133 million, an increase of \$12 million from the corresponding period in 2024.

Partially offset by:

- An increase in expenses of \$36 million to \$499 million, primarily due to an increase in operations and support expenses of \$23 million and an increase in advisory and business development expenses of \$13 million in the twelve-month period. The increase in advisory and business development expenses was primarily attributed to higher wholesaler commissions consistent with the increase in investment fund net sales. Operations and support expenses include costs associated with business operations, including technology and business processes, in-house investment management and product shelf management, corporate management and support functions. These expenses primarily reflect compensation, technology and other service provider expenses;
- A decrease in net investment income and other of \$9 million to \$15 million. Net investment income and other primarily includes investment returns related to Mackenzie's investments in proprietary funds, which are generally made in the process of launching a fund and are sold as third-party investors subscribe; and
- An increase in income taxes of \$2 million to \$86 million.

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

ASSETS UNDER MANAGEMENT AND ADVISEMENT

AUA are the key driver of the Wealth Management segment.

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

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

December 31 [in billions of dollars]	2025	2024
Wealth Management		
IG Wealth Management AUM	138.7	123.2
IG Wealth Management other AUA	20.2	17.2
Assets under advisement	158.9	140.4
Asset Management		
Third-party AUM	151.2	129.9
Sub-advisory and AUM to Wealth Management	92.8	83.4
Assets under management	244.0	213.3
Consolidated^[1]		
Assets under management	289.9	253.1
Assets under management and advisement ^[2]	310.1	270.4

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

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

Total average assets under management and advisement were as follows:

[in billions of dollars]	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Wealth Management								
IG Wealth Management AUA	157.8	150.5	141.2	142.5	139.4	132.9	128.1	124.0
IG Wealth Management AUM	139.5	133.0	124.5	125.5	123.3	117.7	113.5	110.0
Asset Management								
Third-party AUM	149.7	141.2	132.7	132.2	130.0	125.7	122.8	121.0
Total AUM	243.2	230.7	217.9	217.5	213.9	207.5	201.8	198.9
Consolidated^[1]								
Assets under management	289.2	274.2	257.2	257.7	253.3	243.4	236.3	231.0
Assets under management and advisement ^[2]	307.5	291.7	273.8	274.7	269.3	258.6	250.9	245.0

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

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

ADJUSTMENTS

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

In 2025, adjusted net earnings exclude a positive impact of \$8 million after tax (\$26 million pre-tax), consisting of:

- Gain on partial sales of investment in associates of \$26 million after tax (\$44 million pre-tax), net of one-time costs, recorded in the fourth quarter; and
- IGM's proportionate share of Lifeco's adjustments of negative \$18 million, of which \$5 million was recorded in the fourth quarter.

In 2024, adjusted net earnings excluded a negative impact of \$5 million after tax (\$10 million pre-tax), consisting of:

- A positive impact of \$5 million related to the benefit from a tax loss consolidation transaction that IGM entered into with a subsidiary of the Corporation, recorded in the fourth quarter;
- IGM's proportionate share of Rockefeller's one-time debt refinancing costs of negative \$3 million, related to the early repayment of one of Rockefeller's financing facilities, recorded in the second quarter; and
- IGM's proportionate share of Lifeco's adjustments of negative \$7 million, of which nil was recorded in the fourth quarter.

The information above has been derived from IGM's annual MD&A. IGM's most recent annual MD&A is available under its profile on SEDAR+ (www.sedarplus.ca).

GBL

OVERVIEW OF THE BUSINESS

GBL is an established investment holding company. As a leading and active investor in Europe, GBL is focused on long-term value creation with the support of a stable family shareholder base. GBL is focused on delivering meaningful growth by providing attractive returns to its shareholders

through a combination of growth in its net asset value per share, a sustainable dividend and share buybacks. GBL's portfolio is composed of global companies, leaders in their sectors, in which GBL can contribute to value creation by being an active professional investor.

At December 31, 2025, GBL's portfolio was mainly comprised of the following investments (% equity ownership):

Listed Assets

- SGS (SIX: SGSN) (14.3%)—testing, inspection and certification solutions
- Pernod Ricard (EPA: RI) (6.8%)—premium spirits
- Imerys (EPA: NK) (54.7%)—industrial mineral-based specialty solutions
- adidas (XETR: ADS) (3.5%)—design, development and distribution of sporting goods
- Umicore (EBR: UMI) (8.0%)—automotive catalysts, cathode materials for batteries and precious metals recycling
- Concentrix (NASDAQ: CNXC) (14.1%)—global provider of customer experience (CX) solutions and technologies
- Ontex (EBR: ONTEX) (19.98%)—provider of personal hygiene solutions

Direct Private Assets

- Affidea (99.2%)—provider of advanced diagnostics and outpatient services
- Sanoptis (84.3%)—provider of ophthalmology services
- Voodoo (14.9%)—developer and publisher of mobile games
- Parques Reunidos (23.0%)—operator of leisure parks
- Canyon (52.4%)—direct-to-consumer manufacturer of premium bicycles

Through GBL Capital and Sienna Investment Managers, GBL has activities in indirect private assets and third-party asset management. GBL Capital invests in externally managed funds and direct co-investments allocated to buyout, venture capital/growth, private credit and hedge funds.

GBL reported a net asset value (refer to the section "Other Measures") at December 31, 2025 of €14,035 million or €105.37 per share, compared with €15,681 million or €113.30 per share at December 31, 2024.

For additional information on GBL, refer to its public disclosure.

RESULTS

Contribution to Power Corporation

Twelve months ended December 31	2025	2024
Average direct ownership (%) ^[1]	16.9	16.1
Contribution to earnings		
Net earnings (loss)	(263)	31
Adjusted net earnings (loss)	(38)	75
Total dividend received ^[2]	175	92
As at December 31	2025	2024
Contribution to holding company balance sheets		
Investment in GBL, carrying value	3,291	3,683
% of total holding company assets	11.1	12.8
Investment in GBL, fair value	2,691	2,162
% of total holding company assets, at fair value	4.4	4.8

[1] Average direct ownership presented does not consider the effect of the treasury shares held by GBL. The average economic ownership including the effect of treasury shares was 18.6% for the twelve-month period ended December 31, 2025 (17.9% in 2024).

[2] The dividend received from Parjointco was €112 million for the period ended December 31, 2025, compared with €62 million for the period ended December 31, 2024.

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

Twelve months ended December 31	2025	2024
Contribution to Power Corporation's		
Adjusted net earnings (loss)	(38)	75
Adjustments		
Imerys impairment and other charges and currency translation reclassification	(155)	(44)
Loss on partial divestment of GBL Capital portfolio and Sienna Investment Managers	(92)	–
Affidea's gain on debt modification	22	–
	(225)	(44)
Net earnings (loss)	(263)	31

Contribution to net earnings (loss) as reported by GBL

Twelve months ended December 31 [in millions of euros]	2025	2024
Share of earnings (loss) of associates and consolidated operating companies of:		
Imerys	(225)	(52)
Affidea	54	(15)
Sanoptis	(71)	(75)
Canyon	(6)	(19)
Parques Reunidos/Piolin II	(4)	(25)
GBL Capital and Sienna Investment Managers	(29)	18
	(281)	(168)
Net dividends from investments:		
SGS	98	126
Pernod Ricard	81	81
adidas	11	6
Umicore	10	31
Concentrix	10	10
Other	1	1
	211	255
Other financial income (expenses)	(208)	197
Other operating income (expenses)	(196)	(171)
Gains (losses) from disposals, impairments and reversals of non-current assets	(157)	41
Interest income (expenses)	7	(21)
Taxes	(1)	(1)
Net earnings (loss)⁽¹⁾⁽²⁾	(625)	132

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

[2] Attributable to GBL shareholders.

2025 vs. 2024

Net earnings (loss) Net loss of €625 million, compared with net earnings of €132 million in the corresponding period in 2024.

For the twelve-month period ended December 31, 2025, the net loss was €625 million, compared with net earnings of €132 million in the corresponding period in 2024. The increase in net loss of €757 million was mainly due to:

- A decrease in the contribution from other financial income (expenses) of €405 million to a negative contribution to GBL of €208 million in the twelve-month period ended December 31, 2025, compared with a positive contribution of €197 million in the corresponding period in 2024. Other financial income includes a net decrease in the fair value of GBL Capital's investments in alternative funds and direct co-investments in private equity classified as FVPL of €179 million, compared with a net increase in fair value of €197 million in the corresponding period in 2024. The decrease in the twelve-month period of 2025 reflects the estimated transaction value of the assets included in the partial disposal of the GBL Capital portfolio announced in November 2025;
- A decrease in the contribution from gains (losses) from disposals, impairments and reversals of non-current assets of €198 million to a negative contribution to GBL of €157 million, compared with a positive contribution of €41 million in the corresponding period in 2024. The contribution from gains (losses) from disposals, impairments and reversals of non-current assets includes impairments recognized in the fourth quarter of €34 million related to the recently announced sales within Sienna Investment Managers, losses of €31 million on additional divestments within the GBL Capital portfolio, as well as additional impairments on investments by GBL Capital in the third quarter of 2025, primarily due to the partial disposal of the GBL Capital portfolio. As well, the first quarter of 2024 included a gain related to the sale of one investment by GBL Capital;
- An increase in the negative contribution from the share of earnings of associates and consolidated operating companies of €113 million to a negative contribution to GBL of €281 million, compared with a negative contribution of €168 million in the corresponding period in 2024, mainly due to:
 - An increase in the negative contribution from Imerys of €173 million to a negative contribution of €225 million, mainly related to a non-cash goodwill impairment charge of €467 million of its Solutions for Refractory, Abrasives and Construction business due to difficult market conditions, as well as charges related to a cost and performance improvement program of €41 million and project-related write-offs of Imerys British Lithium of €31 million; and
 - A decrease in the contribution from GBL Capital and Sienna Investment Managers of €47 million to a negative contribution to GBL of €29 million.

Partially offset by:

- An increase in the contribution from Affidea of €69 million to a positive contribution to GBL of €54 million; and
- A decrease in the negative contribution from Parques of €21 million, Canyon of €13 million and Sanoptis of €4 million to a negative contribution to GBL's earnings of €4 million, €6 million and €71 million, respectively.

- A decrease in dividends of €44 million to €211 million, mainly due to a decrease in the dividend received from SGS due to a decrease in GBL's interest in the first quarter of 2025 and a decrease in the dividend received from Umicore; and
- An increase in the negative contribution from other operating income (expenses) of €25 million to a negative contribution to GBL of €196 million, compared with a negative contribution of €171 million in the corresponding period in 2024. Other operating expenses in the twelve-month period ended December 31, 2025 includes an expense of €54 million related to a carried interest program compared with an expense of €39 million in the corresponding period in 2024, and a charge related to the revaluation of long-term incentive plans of €26 million.

Average Exchange Rates

The average exchange rates for the twelve-month period ended December 31, 2025 and 2024 were as follows:

Twelve months ended December 31	2025	2024	Change %
EUR/CAD	1.5782	1.4818	6.5

Adjustments

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

In 2025, Adjustments with a net negative impact of \$225 million consist of:

- In the fourth quarter, Adjustments with a negative earnings impact of \$180 million consisted of the Corporation's proportionate share of:
 - The non-operating charges recognized by Imerys of \$90 million, primarily related to a non-cash goodwill impairment charge of its Solutions for Refractory, Abrasives and Construction business due to difficult market conditions, as well as charges related to a cost and performance improvement program, and project-related write-offs of Imerys British Lithium;
 - Impairment charges of \$65 million recognized at the Parjointco level on Imerys related goodwill; and
 - A charge of \$25 million on additional divestments in the GBL Capital portfolio entered into in the fourth quarter, and price and currency adjustments on the previously announced divestitures, as well as a share of impairment charges recognized on Sienna Investment Managers to reflect the transaction value of the announced sale of certain activities within the investment management business.

Partially offset by:

- An increase in the contribution from interest income (expenses) of €28 million to a positive contribution of €7 million, compared with a negative contribution of €21 million in the corresponding period in 2024, and include the receipt of €9 million of default interest related to withholding taxes unduly applied to dividends received in 2008 as well as interest income on cash and cash equivalents.

- In the third quarter, Adjustments with a negative earnings impact of \$67 million consisted of the Corporation's proportionate share of the net loss recognized by GBL on the partial disposal of its GBL Capital portfolio. The majority of this portfolio was classified as FVPL and the estimated transaction value was reflected in the carrying value of the divested assets in the third quarter.
- Partially offset by Adjustments with a positive earnings impact of \$22 million related to the Corporation's proportionate share of the earnings impact of Affidea, resulting from the renegotiation of its debt conditions, recognized in the first quarter.

In 2024, Adjustments with a net negative impact of \$44 million consisted of the Corporation's proportionate share of the non-cash loss recognized by Imerys on its disposition of assets serving the paper market, primarily due to the reclassification of the related cumulative translation adjustment in earnings, recognized in the third quarter.

GBL's financial results and other disclosures have been derived from GBL's public disclosure. Further information on GBL's results is available on its website (www.gbl.com).

OTHER COMPONENTS OF EARNINGS

Sagard and Power Sustainable

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

- Sagard is a global multi-strategy alternative asset management firm active in venture capital, private equity, private credit and real estate. Sagard delivers flexible capital, an entrepreneurial culture, and a global network of investors, commercial partners, advisors, and value creation

experts to its portfolio companies. Sagard also engages in private wealth management and holds strategic interests in other alternative asset management businesses. The firm has offices in Canada, the U.S., Europe and the Middle East.

- Power Sustainable is a sustainability-focused investment manager with offices in Canada and the U.S. Power Sustainable finances companies and projects that aim for both competitive returns and positive sustainability outcomes, and offers institutional investors exposure to alternative assets which aim to accelerate and scale sustainable solutions across multiple industries. Power Sustainable is currently comprised of four strategies: Power Sustainable Energy Infrastructure, Power Sustainable Infrastructure Credit, Power Sustainable Lios (agri-food private equity) and Power Sustainable Decarb PE.

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

		SAGARD		POWER SUSTAINABLE	
ASSET MANAGEMENT ACTIVITIES	Sagard and Power Sustainable are focused on growing their asset management businesses through raising third-party capital as well as the expansion of strategies and asset classes.	Fee-related earnings + Carried interest + Other management activities and strategic interests ^[1]		Fee-related earnings + Carried interest + Other management activities (Potentia and Nautilus) ^[1]	
INVESTING ACTIVITIES	Power Corporation invests proprietary capital in the strategies of its investment platforms to support their growth and development as asset managers and seeks to earn attractive returns commensurate with the risk profile.	Investment <ul style="list-style-type: none"> ■ Venture Capital ■ Wealthsimple ■ Private Equity ■ Private Credit ■ Real Estate 	Accounting <ul style="list-style-type: none"> FVPL Consolidated FVPL FVPL FVPL 	Investment <ul style="list-style-type: none"> ■ Energy Infrastructure ■ Infrastructure Credit 	Accounting <ul style="list-style-type: none"> Consolidated^[2] FVPL

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

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

CONTRIBUTION TO POWER CORPORATION

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

Twelve months ended December 31	2025	2024
Contribution to Power Corporation's:		
Adjusted net earnings (loss)		
Asset management activities		
Sagard	14	5
Power Sustainable	(37)	(65)
Investing activities (proprietary capital)		
Sagard	144	60
Power Sustainable	(16)	(71)
	105	(71)
Adjustments		
Sagard	–	16
Power Sustainable	(116)	(42)
Net earnings (loss)	(11)	(97)

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

ASSET MANAGEMENT ACTIVITIES

Overview of the businesses

SAGARD

At December 31, 2025, Sagard had \$47.4 billion (US\$34.6 billion) of assets under management (\$39.3 billion (US\$27.3 billion) at December 31, 2024), including unfunded commitments (refer to the section "Other Measures"), across four asset classes: venture capital, private equity, private credit and real estate, including \$1.5 billion through its private wealth investment platform (\$1.2 billion at December 31, 2024). At December 31, 2025, assets under management managed through PEM's fund of funds, direct investment funds and separately managed accounts and BEX's secondaries strategies represented \$16.5 billion (US\$12.0 billion).

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

December 31 [In billions of dollars]	2025	2024
Venture Capital ^{[1][2]}	14.6	11.3
Private Equity ^{[2][3]}	16.2	12.9
Private Credit	7.9	6.6
Real Estate	7.4	7.4
Other ^[4]	1.3	1.1
Assets under management	47.4	39.3
<i>Power Corporation</i>	2.6	2.0
<i>Third parties and associated companies^[5]</i>	44.8	37.3
Fee-bearing capital^{[6][7]}	29.5	26.5
<i>Power Corporation</i>	1.2	1.1
<i>Third parties and associated companies^[5]</i>	28.3	25.4

[1] Includes elimination of inter-fund interests within the venture capital asset class.

[2] At December 31, 2025, assets under management managed through PEM's strategies represented \$5.5 billion (US\$4.0 billion) within the venture capital asset class and \$7.7 billion (US\$5.6 billion) within the private equity asset class (\$5.2 billion (US\$3.6 billion) within the venture capital asset class and \$7.9 billion (US\$5.5 billion) within the private equity asset class at December 31, 2024.)

[3] At December 31, 2025, assets under management managed through BEX funds represented \$3.3 billion (US\$2.4 billion) within the private equity asset class.

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

[5] Associated companies includes commitments from management, as well as commitments from Lifeco, IGM and GBL.

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

[7] Excludes the fee-bearing capital of Sagard's private wealth investment platform of \$1.4 billion at December 31, 2025 (\$1.2 billion at December 31, 2024).

Sagard's weighted average management fee rate (refer to the section "Other Measures") was 0.91% for the twelve-month period ended December 31, 2025, compared with 1.03% in the corresponding period in 2024. The decrease is primarily due to the change in the composition of assets under management and related fee rates including the impacts from the acquisitions of BEX in the second quarter of 2025 and PEM in the first quarter of 2024.

REVIEW OF FINANCIAL PERFORMANCE

The following table provides information on the funds managed by Sagard as well as the Corporation's interests in each of the funds:

December 31, 2025			Interest held				Manager compensation		
[in millions; except as otherwise noted]	Currency	Vintage	Capital commitments	Power Corporation	Associated companies ⁽¹⁾	Third parties	Fees ⁽²⁾		Carried interest ⁽³⁾
			(\$)	(%)	(%)	(%)	(%)		(%)
Venture Capital									
Portage Ventures I ⁽⁴⁾	C\$	2016	482	39.2	60.8	–	2.00	Invested capital	10.0
Portage Ventures II ⁽⁵⁾	C\$	2018	427	12.4	16.8	70.8	2.00	Invested capital	20.0
Portage Ventures III ⁽⁵⁾	US\$	2021	655	2.4	15.3	82.3	2.25	Invested capital	20.0
Portage Ventures IV ⁽⁶⁾	US\$	2024	524	4.8	14.7	80.5	2.50	Committed capital	20.0
Portage Capital Solutions	US\$	2023	513	29.2	29.1	41.7	2.00	Committed capital	20.0
Diagram Funds ⁽⁷⁾	C\$	2016-2023	400	17.7	17.5	64.8	1.00-2.50	Committed capital	nil-20.0
SAGARD PRIVATE EQUITY SOLUTIONS									
PEM Venture Capital (PVC)									
PVC I-II	US\$	2005-2008	1,334	–	0.3	99.7	nil-0.38	Committed capital	5.0
PVC III	US\$	2014	149	–	2.6	97.4	0.50	Committed capital	5.0
PVC IV-V	US\$	2018-2021	473	–	2.5	97.5	0.30-0.95	Committed capital	5.0
PVC VI and SOF ⁽⁸⁾	US\$	2024	303	9.9	1.0	89.1	0.30-0.95	Committed capital	5.0
Private Equity									
Sagard Private Equity Canada	C\$	2021	407	3.7	13.7	82.6	2.00	Committed capital	20.0
Sagard MidCap II ⁽⁵⁾	€	2007	728	22.4	11.7	65.9	1.75	Invested capital	20.0
Sagard MidCap 3 ⁽⁵⁾	€	2013	729	0.2	0.5	99.3	2.00	Invested capital	20.0
Sagard MidCap 4	€	2020	815	18.6	8.8	72.6	1.75	Committed capital	20.0
Sagard NewGen ⁽⁵⁾	€	2020	313	6.0	7.8	86.2	2.00	Invested capital	20.0
Sagard NewGen 2 ⁽⁶⁾	€	2025	220	11.0	23.9	65.1	2.00	Committed capital	20.0
Sagard Private Equity Strategies ⁽⁹⁾	US\$	2025	71	55.4	2.0	42.6	1.00-1.30	Net asset value	12.5
SAGARD PRIVATE EQUITY SOLUTIONS									
BEX Private Equity									
BEX II	€	2018	60	–	0.8	99.2	0.45-0.75	Committed capital	15.0
BEX III	US\$	2019	365	–	0.8	99.2	0.60-1.05	Committed capital	15.0
BEX IV	US\$	2022	765	–	1.0	99.0	0.75-1.35	Committed capital	15.0
BEX V	US\$	2025	786	–	1.0	99.0	0.75-1.50	Committed capital	15.0
PEM Direct Investment (PDI)									
PDI III-IV	US\$	2014-2019	474	–	2.4	97.6	1.00	Invested capital	10.0
PDI V	US\$	2024	386	7.8	2.0	90.2	1.00	Committed capital	10.0
Private Credit									
Sagard Credit Partners I	US\$	2018	557	18.0	1.0	81.0	1.50	Invested capital	15.0
Sagard Credit Partners II	US\$	2022	1,167	4.3	5.2	90.5	1.50	Invested capital	20.0
Sagard Credit Partners III ⁽⁶⁾	US\$	2025	624	–	–	100.0	1.50	Invested capital	15.0
Sagard Senior Lending Partners	US\$	2023	501	–	20.8	79.2	1.25	Invested capital	15.0
Sagard Private Credit ⁽⁹⁾	C\$	2024	162	29.4	–	70.6	1.00-1.30	Net asset value	15.0
Sagard Healthcare Partners ⁽¹⁰⁾	US\$	2019	1,278	9.3	0.5	90.2	1.50-1.75	Committed capital	20.0
Real Estate									
USPF ⁽⁹⁾	US\$	2002	876	1.9	25.1	73.0	0.75-0.98	Net asset value	–

- [1] Associated companies includes commitments from management as well as commitments from Lifeco (\$33 million in Portage Ventures II, US\$59 million in Portage Ventures III, US\$60 million in Portage Ventures IV, US\$143 million in Portage Capital Solutions, \$50 million in SPEC, €50 million in Sagard MidCap 4, €10 million in Sagard NewGen 2, US\$50 million in Sagard Credit Partners II, US\$101 million in SSLP, and US\$221 million in USPF), IGM (\$33 million in Portage Ventures II, US\$26 million in Portage Ventures III and US\$17 million in Portage Ventures IV), Pargesa (€33 million in Sagard MidCap II), and GBL (€40 million in Sagard NewGen 2). Lifeco and IGM have invested \$25 million and \$268 million, respectively, in Portage Ventures I.
- [2] Represents the base management fees. The management fees presented for the PVC and BEX funds represent the range of base fees over the remaining life of each fund.
- [3] Represents the base carried interest for each fund. Sagard will receive an allocation of carried interest for the PEM and BEX funds with vintage years subsequent to their acquisition in 2024 and 2025, respectively. Carried interest for Sagard Private Equity Strategies and Sagard Private Credit is realized on a quarterly basis when investment returns exceed a predetermined hurdle rate, and is not subject to clawback.
- [4] Includes investments held by Portage Ventures I, Power Financial and IGM, through limited partnerships controlled by Power Financial, in Wealthsimple.
- [5] During the investment period, management fees were based on committed capital. Since the close of the investment period, management fees are based on invested capital, which may include a reserve for follow-on investments.
- [6] Fundraising activities continue for Portage Ventures IV, PVC VI, PVC SOF, Sagard NewGen 2 and Sagard Credit Partners III.
- [7] The Diagram Funds include Diagram Ventures I, Diagram Ventures II, Diagram Ventures III, Diagram Opportunity and Diagram ClimateTech. Total capital commitments includes amounts committed by Portage Ventures I and Portage Ventures II. Associated companies includes commitments from management as well as commitments from Portage Ventures I (\$10 million in Diagram Ventures I) and Portage Ventures II (\$10 million in Diagram Ventures I and \$35 million in Diagram Ventures II). Diagram Ventures I and II do not have carried interest.
- [8] The PVC VI and PVC SOF funds are presented on a combined basis. Total capital commitments of PVC SOF include commitments from PVC VI, which represent approximately 42% of PVC SOF's aggregate capital commitments of US\$98 million as of December 31, 2025.
- [9] Sagard Private Equity Strategies, Sagard Private Credit and USPF are open-ended funds and generally invest all committed capital; as such the capital commitments of the funds are representative of the net asset value (refer to the section "Other Measures"). USPF is managed by Sagard Real Estate through a management service agreement.
- [10] Represents Series I and II; the interest in the fund is based on invested capital as of December 31, 2025. The investment period is completed for the first series which represents a total commitment of \$726 million; base compensation for Series I is 1.50% on invested capital.

The following table summarizes the activities of the funds managed by Sagard:

December 31, 2025		Commitments				
[in millions; except as otherwise noted]	Currency	Total funded	Unfunded	Unfunded	Distributions to date ⁽¹⁾	NAV ⁽²⁾
		(\$)	(\$)	(%)	(\$)	(\$)
Venture Capital						
Portage Ventures I ⁽³⁾	C\$	482	–	–	627	3,927
Portage Ventures II	C\$	414	13	3.0	64	969
Portage Ventures III	US\$	522	133	20.4	–	797
Portage Ventures IV	US\$	155	369	70.5	–	137
Portage Capital Solutions	US\$	292	221	43.0	14	336
Diagram Funds	C\$	247	153	38.2	90	351
SAGARD PRIVATE EQUITY SOLUTIONS						
PVC Funds ⁽⁴⁾						
PVC I-II ⁽⁵⁾	US\$	1,315	19	1.5	3,095	30
PVC III	US\$	145	4	2.5	308	309
PVC IV-V	US\$	365	108	22.9	26	482
PVC VI and SOF ⁽⁶⁾	US\$	82	225	74.4	6	107
Private Equity						
Sagard Private Equity Canada	C\$	220	187	45.9	–	232
Sagard MidCap II	€	722	6	0.9	1,163	18
Sagard MidCap 3	€	682	47	6.5	1,761	233
Sagard MidCap 4 ⁽⁶⁾	€	742	148	18.1	546	720
Sagard NewGen ⁽⁶⁾	€	305	32	10.2	74	406
Sagard NewGen 2	€	9	211	96.0	–	4
SAGARD PRIVATE EQUITY SOLUTIONS						
BEX Funds ⁽⁷⁾						
BEX II	€	54	6	10.0	132	43
BEX III	US\$	237	128	35.0	97	300
BEX IV	US\$	459	306	40.0	–	649
BEX V	US\$	242	544	69.2	–	353
PDI Funds ⁽⁴⁾						
PDI III-IV	US\$	470	4	0.8	691	434
PDI V ⁽⁶⁾	US\$	206	189	48.8	9	246
Private Credit						
Sagard Credit Partners I	US\$	548	9	1.5	669	50
Sagard Credit Partners II ⁽⁶⁾	US\$	638	661	56.6	239	601
Sagard Credit Partners III	US\$	–	624	100.0	–	–
Sagard Senior Lending Partners	US\$	217	284	56.7	13	230
Sagard Healthcare Partners ⁽⁶⁾	US\$	1,023	293	22.9	541	727

[1] Excludes distributions which have been recalled by the fund for reinvestment, as well as distributions made by the fund due to rebalancing from increases in fund size.

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

[3] Includes investments held by Portage Ventures I, Power Financial and IGM through limited partnerships controlled by Power Financial, in Wealthsimple, which represents a fair value of \$3.8 billion at December 31, 2025 (\$2.1 billion at December 31, 2024). Excludes investments in Wealthsimple held directly by Power Financial and IGM of \$0.3 billion at December 31, 2025 (\$0.1 billion at December 31, 2024).

[4] In the first quarter of 2024, Sagard acquired a controlling interest in PEM. The activities of the funds managed by PEM are presented since the inception of each fund.

[5] In the second quarter of 2025, PVC I and II were closed; on closing, a total distribution of US\$415 million was transferred into a continuation fund. Certain LPs of PVC I and II are also LPs in the PVC continuation fund.

[6] Total funded commitments represent the net cash funded for portfolio investments and fund expenses since inception, excluding amounts that have been recalled by the fund. The unfunded commitments of PVC VI, Sagard MidCap 4, Sagard NewGen, PEM-PDI V, Sagard Credit Partners II and Sagard Healthcare Partners include amounts distributed of US\$4 million, €75 million, €24 million, US\$9 million, US\$132 million and US\$38 million, respectively, which are recallable by the fund.

[7] In the second quarter of 2025, Sagard acquired a controlling interest in BEX Capital. The activities of the funds managed by BEX are presented since the inception of each fund.

VENTURE CAPITAL (fintech investments)

- Sagard's venture capital asset class is managed under the Portage, Diagram and Sagard Private Equity Solutions platforms.

PORTAGE

- Portage is a global fintech and financial services investment platform. Its mission is to empower entrepreneurs reshaping financial services by partnering with ambitious companies across all stages through Portage Ventures and Portage Capital Solutions.
 - Portage Ventures is a global fintech venture capital investment strategy dedicated to supporting fintech innovators in insurance, consumer & small and medium business finance, wealth & asset management, and fintech enablers. Through its funds, Portage Ventures has invested in more than 120 fintech companies and investment funds.
 - Portage Capital Solutions is a capital partner that delivers flexible equity capital solutions and resources to later-stage fintech and financial services businesses.

DIAGRAM

- Diagram is a venture builder that conceives and launches technology companies and a venture investor that invests in early stage companies, primarily in the financial services (fintech) and climate tech spaces. Diagram has launched and invested in more than 40 companies across five funds.

SAGARD PRIVATE EQUITY SOLUTIONS

- PEM, operating under the brand Sagard Private Equity Solutions, has a venture capital fund of funds program with an emphasis on access-constrained U.S. early and late-stage technology-centric asset managers. This investment strategy, through funds and separately managed accounts, provides investors with access to selected managers, many of which are closed to new investors.

PRIVATE EQUITY

- Sagard's private equity asset class is managed under the Sagard and Sagard Private Equity Solutions platforms.

SAGARD

- Sagard, under its private equity asset class, manages four strategies: Sagard Private Equity Canada, Sagard MidCap (Europe), Sagard NewGen (Europe), and Sagard Private Equity Strategies.
 - 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 is a European private equity investment strategy that invests in middle-market business services, healthcare, food & consumer, and industrial sectors.
 - Sagard NewGen is a European private equity investment strategy that supports entrepreneurs in the technology and healthcare industries.
 - Sagard Private Equity Strategies offers Canadian accredited investors access to institutional-calibre private equity. The fund invests in a broadly diversified portfolio of secondaries, co-investments, and primaries, with a focus on the small and middle-market.

SAGARD PRIVATE EQUITY SOLUTIONS

- BEX Capital's investment strategy focuses on the acquisition of positions in global private equity fund of funds, secondary funds and co-investment funds.
- PEM, operating under the brand Sagard Private Equity Solutions, manages an investment strategy which focuses on a diversified portfolio of primarily U.S. small and middle-market buyouts sourced from selected asset managers, including co-investment opportunities. PEM offers this investment strategy through funds and separately managed accounts.

PRIVATE CREDIT

- Sagard, under the private credit asset class, manages four strategies, Sagard Credit, Sagard Senior Lending, Sagard Private Credit and Sagard Healthcare, and includes a strategic investment in HalseyPoint.
 - 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.
 - Sagard Senior Lending is a senior direct-lending strategy focused on middle-market companies in North America. It provides first-lien, floating-rate debt to public and private middle-market companies to help fund growth and other strategic initiatives.
 - Sagard Private Credit is an evergreen fund, designed to offer Canadian accredited investors the opportunity to participate in private credit. The fund seeks to generate attractive and stable returns driven largely by interest income earned on a broadly diversified portfolio of private loans.
 - Sagard Healthcare, a biopharmaceutical royalties investment strategy, invests in royalties and credit backed by approved and commercialized biopharmaceutical products, diagnostics and medical devices. Sagard Healthcare aims to accelerate the returns on innovation for owners of intellectual property, while offering investors an attractive healthcare exposure largely uncorrelated to other asset classes.
 - HalseyPoint, a manager jointly controlled by Sagard, manages collateralized loan obligations (CLOs) focused on the U.S. leveraged loan and high-yield bond markets. HalseyPoint managed AUM of \$6.2 billion (US\$4.5 billion) at December 31, 2025 and has raised to date ten CLOs.
 - In 2025, Sagard launched Sagard CLO Equity, a fund that will invest in the equity tranche of future CLOs managed by Sagard | HalseyPoint. In the second quarter of 2025, Sagard completed the first close, raising commitments of up to US\$92.5 million.

REAL ESTATE

- Sagard Real Estate (formerly EverWest) is a real estate investment advisor and operator providing investment management services across the U.S. that include acquisitions, asset management, development and property management for its investors. Sagard Real Estate is headquartered in Denver, Colorado with regional offices throughout the U.S.
 - Sagard Real Estate offers a variety of investment strategies including separately managed accounts and funds.

PRIVATE WEALTH INVESTMENT PLATFORM

- Sagard Wealth (formerly Grayhawk) is a dedicated chief investment office providing institutional-calibre capabilities and exclusive access to global investment opportunities, from traditional to alternative strategies, to Canadian families. Sagard Wealth had \$1.5 billion in assets under management at December 31, 2025 (\$1.2 billion at December 31, 2024). The Corporation, through Sagard, indirectly holds a 77.3% interest in Sagard Wealth (60.3% at December 31, 2024).

POWER SUSTAINABLE

At December 31, 2025, Power Sustainable had \$4.4 billion of assets under management (\$4.2 billion at December 31, 2024), including unfunded commitments. Assets under management reflect the fair value of assets, net of liabilities and project debt, and includes unfunded commitments.

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

December 31 [in millions of dollars]	2025	2024
Power Sustainable Energy Infrastructure	2,647	2,902
Power Sustainable Infrastructure Credit	1,118	1,035
Power Sustainable Lios	271	261
Power Sustainable Decarb PE	352	–
Assets under management	4,388	4,198
<i>Power Corporation</i>	1,160	1,303
<i>Third parties and associated companies⁽¹⁾</i>	3,228	2,895
Fee-bearing capital⁽²⁾	3,607	2,943
<i>Power Corporation</i>	981	1,107
<i>Third parties and associated companies⁽¹⁾</i>	2,626	1,836

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

[2] Refer to the section “Other Measures”.

Power Sustainable’s weighted average management fee rate was 1% for the twelve-month period ended December 31, 2025, comparable with the corresponding period in 2024.

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

December 31, 2025 [in millions; except as otherwise noted]	Currency	Vintage	Commitments ⁽¹⁾		Interest held ⁽²⁾			NAV
			Capital commitments	Total funded	Power Corporation	Associated companies ⁽³⁾	Third parties	
			(\$)	(\$)	(%)	(%)	(%)	(\$)
Power Sustainable Energy Infrastructure Partnership ⁽⁴⁾⁽⁵⁾	C\$	2021	1,800	1,751	28.3	12.9	58.8	2,445
Power Sustainable Infrastructure Credit ⁽⁶⁾	US\$	2023	811	300	17.8	76.1	6.1	306
Power Sustainable Lios	C\$	2022	285	154	–	20.7	79.3	139
Power Sustainable Decarb PE ⁽⁷⁾	US\$	2025	266	3	39.5	28.8	31.7	–

[1] Includes amounts of separately managed agreements committed within each strategy.

[2] Based on committed capital or NAV as of December 31, 2025.

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

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

[5] Excludes direct investments in energy assets, which have a net asset value of \$153 million. At December 31, 2025, PSEIP had distributed an amount of \$84 million since inception.

[6] In the second quarter of 2024, the Corporation entered into a separately managed account for a total of US\$120 million in which it will invest alongside the fund on target investments. In the fourth quarter of 2025, the Corporation increased the separately managed account to a total of US\$160 million. At December 31, 2025, the Corporation had invested US\$61 million (C\$85 million), net of recallable distributions, through this account.

[7] Fund commitments of up to US\$330 million, of which US\$266 million is currently callable.

POWER SUSTAINABLE ENERGY INFRASTRUCTURE

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

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

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

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

December 31 [in megawatts (MW)]	2025	2024
Advanced development ^[1]	681	866
Under construction	595	253
Operating ^[1]	2,566	2,481
	3,842	3,600

[1] Includes projects in which PSEIP has a joint interest representing 613 MW at December 31, 2025, of which 343 MW is included in Advanced development (a total of 645 MW, of which 343 MW is included in Advanced development at December 31, 2024). During the second quarter of 2025, PSEIP acquired the remainder of the interest in one project previously accounted for as a joint venture.

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

In the second quarter of 2025, wind projects developed by Potentia, representing approximately 425 MW and which had previously reached commercial operation, were sold to PSEIP. The Corporation received cash proceeds of \$262 million.

At December 31, 2025, the total assets on a consolidated basis of PSEIP and direct investments were \$6.1 billion (\$6.5 billion at December 31, 2024).

POWER SUSTAINABLE INFRASTRUCTURE CREDIT

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

POWER SUSTAINABLE LIOS

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

POWER SUSTAINABLE DECARB PE

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

On January 30, 2026, subsequent to year-end, Power Sustainable Decarb PE acquired a majority interest in a U.S.-based provider of energy efficiency, utility services, and distributed energy resources, primarily serving utilities and energy service companies as well as municipal customers.

RESULTS – Asset Management Activities

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

	SAGARD	POWER SUSTAINABLE
ASSET MANAGEMENT ACTIVITIES		
INVESTING ACTIVITIES		

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

Twelve months ended December 31	2025	2024
Adjusted net earnings (loss)		
SAGARD		
Management fees ⁽¹⁾⁽²⁾	268	232
Investment platform expenses	(293)	(233)
Fee-related earnings (loss) ⁽³⁾	(25)	(1)
Net carried interest ⁽⁴⁾	89	41
Other ⁽³⁾	(52)	(14)
Earnings (loss) from private wealth platform and other asset management activities ⁽⁵⁾	12	26
Non-controlling interests ⁽⁶⁾	1	(2)
	14	5
POWER SUSTAINABLE		
Management fees ⁽¹⁾	35	27
Investment platform expenses	(66)	(66)
Fee-related earnings (loss) ⁽³⁾	(31)	(39)
Net carried interest ⁽⁴⁾	6	(15)
Other ⁽³⁾⁽⁷⁾	(20)	(18)
Non-controlling interests ⁽⁸⁾	8	7
	(37)	(65)
Adjusted net earnings (loss)	(23)	(60)
Adjustments		
POWER SUSTAINABLE		
Restructuring charges	–	(14)
Net earnings (loss)	(23)	(74)

[1] Includes management fees charged by the investment platform on proprietary capital. Management fees paid by the Corporation are deducted from income from investing activities.

[2] In 2025, Sagard recognized a retroactive management fee of \$7 million related to new capital committed in the fundraising close of Sagard Healthcare Partners, PVC VI, PDI V and Portage Ventures IV (\$11 million in 2024 related to the fundraising close of Portage Capital Solutions, Sagard Healthcare Partners and PDI V).

[3] Fee-related earnings is a non-IFRS financial measure. Items excluded from fee-related earnings have been included in Other. Refer to the section “Non-IFRS Financial Measures” for a description and reconciliation.

[4] Net carried interest is comprised of carried interest earned, net of amounts allocated to employees. Carried interest is recognized based on changes in fair value of investments held within each consolidated fund, and based on carried interest earned when it is highly probable that a significant reversal will not occur with respect to unconsolidated funds. The Corporation’s share of carried interest expense payable by the fund is included in investing activities.

[5] Includes the Corporation’s share of earnings (losses) from Sagard’s private wealth investment platform and other asset management activities as well as its interest in HalseyPoint.

[6] Non-controlling interests represent equity interests held by third parties in SHMI, PEM and BEX, as well as interests held in SHMI by Lifeco and management of Sagard.

[7] Other includes customer acquisition, development and asset management activities provided by Potentia and Nautilus on behalf of PSEIP.

[8] Non-controlling interests represent equity interests held in PSM by Lifeco and management of Power Sustainable.

ADJUSTMENTS (excluded from adjusted net earnings)**POWER SUSTAINABLE**

In the first quarter of 2024, Power Sustainable realigned its strategies and made a strategic decision to wind down its China public equity strategy, which included the closing of its investment management operations in China. Power Sustainable recognized a restructuring charge of \$12 million and \$2 million in the first and second quarters of 2024, respectively.

INVESTING ACTIVITIES

Overview

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

Returns are expected to be realized over differing time horizons:

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

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

[in millions of dollars]	As at December 31, 2024			Twelve-month period ended December 31, 2025			As at December 31, 2025		
	Investments to date ⁽¹⁾	Distributions to date ⁽¹⁾	Fair value	Investments	Distributions	Fair value change	Investments to date ⁽¹⁾	Distributions to date ⁽¹⁾	Fair value
Sagard									
Venture Capital ⁽²⁾	441	290	1,071	213	22	647	654	312	1,909
Private Equity	1,218	1,355	365	128	279	113	1,346	1,634	327
Private Credit	475	315	241	127	124	6	602	439	250
Real Estate	33	1	32	–	–	–	33	1	32
Cash and other	1	–	43	–	–	–	1	–	21
	2,168	1,961	1,752	468	425	766	2,636	2,386	2,539
Power Sustainable									
Power Sustainable Energy Infrastructure									
PSEIP ⁽³⁾	425	32	624	22	1	9	447	33	654
Direct investments ⁽⁴⁾	1,190	520	488	26	262	(99)	1,216	782	153
Power Sustainable Infrastructure Credit ⁽⁵⁾	27	–	29	77	38	7	104	38	75
Other investments	13	2	12	5	3	6	18	5	20
	1,655	554	1,153	130	304	(77)	1,785	858	902
	3,823	2,515	2,905	598	729	689	4,421	3,244	3,441

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

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

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

[4] Includes the direct investments in energy infrastructure at fair value. Investments to date include funding related to the acquisitions of Potentia and Nautilus and related platform expenses prior to the establishment of Power Sustainable Energy Infrastructure.

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

FINTECH INVESTMENTS

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

WEALTHSIMPLE

At December 31, 2025, Portage Ventures I, Power Financial and IGM collectively held, through a limited partnership controlled by Power Financial as well as direct investments, an undiluted equity interest in Wealthsimple of 52.4% (54.4% at December 31, 2024), representing a voting interest of 57.5% and a fully diluted equity interest of 40.7%. Wealthsimple, founded in 2014, is one of Canada's fastest-growing financial technology companies, and provides simple digital tools for growing and managing money.

Wealthsimple continues to strengthen its presence in the marketplace and offers a suite of financial products, ranging from investing to spending, saving and tax. At December 31, 2025, Wealthsimple had 3.2 million clients, excluding tax filers, across the Canadian market with assets under administration of \$111.3 billion, compared with \$64.0 billion at December 31, 2024.

At December 31, 2025, the Power group had invested \$544 million in Wealthsimple (\$344 million at December 31, 2024), and had received total proceeds of \$500 million from a secondary transaction in 2021.

The fair value of the Power group's interest in Wealthsimple was \$4.1 billion at December 31, 2025 (\$2.2 billion at December 31, 2024). The fair value of the Corporation's 15.4% equity interest in Wealthsimple, including its indirect interest held through Portage Ventures I, on a fully diluted basis, was \$1,566 million at December 31, 2025 (\$822 million at December 31, 2024). The increase in fair value in the twelve-month period ended December 31, 2025 considers recent transactions and the increase in public market peer valuations, as well as Wealthsimple's business performance and revenue expectations.

During 2025, net earnings attributable to the Corporation were negatively impacted by \$78 million, primarily due to the recognition of net carried interest associated with the increase in the fair value of Wealthsimple in the second and third quarters.

- The Corporation recognized an increase in carried interest payable of \$51 million on its interest in Wealthsimple included in the investing activities of Sagard, as well as the Corporation's share of the increase in carried interest payable allocated to IGM and Lifeco of \$52 million and \$4 million, respectively, included in the effect of consolidation. The Corporation's total share of the increase in carried interest payable was \$107 million, after non-controlling interests.
- As manager, Sagard recognized \$54 million of carried interest income, net of related employee expenses, included in asset management activities. The Corporation's total share of the net carried interest income was \$29 million, after non-controlling interests.

RESULTS – Investing Activities

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

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

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

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

	SAGARD	POWER SUSTAINABLE
ASSET MANAGEMENT ACTIVITIES		
INVESTING ACTIVITIES		

Twelve months ended December 31	2025	2024
Adjusted net earnings (loss)		
SAGARD		
Private equity and other strategies	148	72
Venture capital (fintech investments) ^[1]	(4)	(12)
	144	60
POWER SUSTAINABLE		
Energy infrastructure ^[2]	(23)	(72)
Other ^[3]	7	1
	(16)	(71)
Adjusted net earnings (loss)	128	(11)
Adjustments		
SAGARD		
Remeasurement of deferred tax assets	–	16
POWER SUSTAINABLE		
Revaluation of NCI liabilities and other market-related impacts	(116)	(82)
Currency translation reclassification on Power Sustainable China	–	54
	(116)	(12)
Net earnings (loss)	12	(23)

[1] Includes the Corporation's share of earnings (losses) of Wealthsimple. The twelve-month period of 2025 includes a charge of \$51 million related to the Corporation's share of the carried interest payable due to the increase in fair value of the investment held in Wealthsimple (\$32 million recognized in 2024).

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

[3] The first quarter of 2025 included a change in fair value of other investments managed within the Power Sustainable platform.

ADJUSTMENTS (excluded from adjusted net earnings)**SAGARD**

There were no adjustments in the twelve-month period ended December 31, 2025. For the twelve-month period ended December 31, 2024, Sagard recognized positive Adjustments of \$16 million, which primarily related to the Corporation's share of the remeasurement of deferred tax assets by WealtheSimple.

POWER SUSTAINABLE

For the twelve-month period ended December 31, 2025, Power Sustainable recognized Adjustments of a net negative impact of \$116 million, which consist of the Corporation's share of the revaluation of non-controlling interests liabilities and other market-related impacts:

- A charge of \$125 million related to the revaluation of non-controlling interest liabilities resulting from changes in fair value of assets held in PSEIP, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors, of which a charge of \$124 million was recorded in the fourth quarter. The Corporation controls and consolidates the activities of PSEIP in accordance with IFRS; however, equity interests held by third parties have redemption features and are classified as a financial liability, which are remeasured at their redemption value. The twelve-month period ended December 31, 2025 includes a net charge of \$95 million, related to the Corporation's share of the revaluation of non-controlling interests liabilities which resulted from a net increase in fair value of assets held in PSEIP.
- A recovery of \$11 million due to the remeasurement of a deferred tax liability related to the Corporation's investment in PSEIP, recognized in the second quarter of 2025.
- The Corporation's share of fair value remeasurements of derivatives was a loss of \$2 million after tax (\$3 million pre-tax), of which a gain of \$6 million after tax (\$8 million pre-tax) was recorded in the fourth quarter.

For the twelve-month period ended December 31, 2024, Power Sustainable recognized Adjustments of a net negative impact of \$28 million, which included:

- A charge of \$82 million related to the Corporation's share of the revaluation of non-controlling interests liabilities and other market-related impacts:
 - A charge of \$88 million related to the revaluation of non-controlling interests liabilities resulting from changes in fair value of assets held in PSEIP, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors, of which \$41 million was recorded in the fourth quarter of 2024. The twelve-month period ended December 31, 2024 included a charge of \$49 million, related to the Corporation's share of the revaluation of non-controlling interests liabilities which resulted from an increase in fair value of assets held in PSEIP.
 - The Corporation's share of fair value remeasurements of derivatives was a gain of \$6 million after tax (\$8 million pre-tax) in the twelve-month period ended December 31, 2024, of which a gain of \$13 million after tax (\$17 million pre-tax) was recognized in the fourth quarter.
- Partially offset by a recovery of \$54 million recognized on the closing of Power Sustainable China, a foreign operation, which resulted from the reclassification of the related cumulative translation adjustment to net earnings in the first quarter of 2024.

Standalone Businesses**OVERVIEW**

At December 31, 2025, standalone businesses represent the Corporation's equity investment in LMPG. Power Sustainable held a controlling interest of 49.6% at December 31, 2025 (same as at December 31, 2024) in LMPG, a designer, developer, and manufacturer of a wide range of high-performance and sustainable specification-grade LED solutions for commercial, institutional, and urban environments.

Power Sustainable held a 34.1% equity interest in Lion Electric, a manufacturer of zero-emission vehicles, at December 31, 2024. The carrying value of the investment in Lion was nil at December 31, 2024. In May 2025, Lion Electric completed a restructuring transaction under the *Companies' Creditors Arrangement Act* (CCAA). As a result, all issued and outstanding common shares, options, warrants and other instruments exercisable into, or convertible or exchangeable for, common shares of Lion were cancelled without consideration.

RESULTS

For the twelve-month period ended December 31, 2025, net loss from standalone businesses was \$2 million, compared with a net loss of \$38 million in the corresponding period in 2024. The adjusted net loss from standalone businesses for the twelve-month period ended December 31, 2025 was \$14 million, compared with an adjusted net loss of \$64 million in the corresponding period in 2024.

The net loss in the twelve-month period ended December 31, 2025 excludes Adjustments with a positive impact of \$12 million.

ADJUSTMENTS (excluded from adjusted net earnings)

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

In 2025, Adjustments with a positive earnings impact of \$12 million primarily consisted of the Corporation's share of the remeasurement of deferred tax liabilities by LMPG recorded in the first quarter.

In 2024, Adjustments with a positive earnings impact of \$26 million after tax (\$18 million pre-tax) consisted of:

- A net gain of \$279 million after tax (\$279 million pre-tax) recognized on the sale of the Corporation's 42.6% interest in Peak in the fourth quarter of 2024; and
- The Corporation's share of Peak's gain on disposal of its investment in Rawlings of \$46 million after tax (\$46 million pre-tax) recorded in the second quarter of 2024.

Partially offset by:

- Impairment charges on the Corporation's investment in Lion, partially offset by the Corporation's share of the remeasurement of warrant obligations at Lion of \$122 million after tax (\$130 million pre-tax), due to a decline in market value, of which \$81 million after tax was recorded in the fourth quarter; and
- The Corporation's share of non-cash impairment charges recognized on goodwill, partially offset by the impact of remeasurement of redemption liabilities by LMPG, of \$177 million after tax (\$177 million pre-tax) of which \$87 million was recorded in the fourth quarter.

Corporate Operations and Other

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

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

Twelve months ended December 31	2025	2024
Contribution to net earnings (loss)		
Other investments		
Investment funds	9	15
Other ^[1]	25	72
	34	87
Operating and other expenses		
Operating expenses ^[2]	(219)	(182)
Depreciation	(7)	(7)
Fair value change of TSARs, net of hedge ^[3]	10	1
Financing charges ^[4]	(54)	(54)
Income taxes	(1)	(1)
	(271)	(243)
Dividends on non-participating and perpetual preferred shares	(194)	(192)
Net earnings (loss)	(431)	(348)

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

[2] Operating expenses in the twelve-month period ended December 31, 2025 included a charge of \$11 million related to updated performance assumptions used in the measurement of performance share units (\$12 million in the twelve-month period ended December 31, 2024). Operating expenses related to Power Financial were \$90 million in the twelve-month period ended December 31, 2025 (\$69 million in the corresponding period in 2024).

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

[4] Financing charges related to Power Financial were \$18 million in the twelve-month period ended December 31, 2025 (\$17 million in the corresponding period in 2024).

Adjustments (excluded from adjusted net earnings)

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

Twelve months ended December 31	2025	2024
Lifeco⁽¹⁾		
Market experience relative to expectations	(148)	146
Assumption changes and management actions	(60)	(102)
Business transformation and other impacts	(178)	(76)
Amortization of acquisition-related finite life intangible assets	(102)	(101)
Tax legislative changes and other tax impacts	15	10
	(473)	(123)
Effect of consolidation ⁽²⁾	(44)	(26)
	(517)	(149)
IGM⁽¹⁾		
Gain on partial sales of investment in associates	16	–
Tax loss consolidation	–	3
Rockefeller debt refinancing	–	(2)
Share of Lifeco's adjustments	(11)	(4)
	5	(3)
Effect of consolidation ⁽²⁾	13	17
	18	14
GBL		
Imerys impairment and other charges and currency translation reclassification	(155)	(44)
Loss on partial divestment of GBL Capital portfolio and Sienna Investment Managers	(92)	–
Affidea's gain on debt modification	22	–
	(225)	(44)
Sagard and Power Sustainable		
Remeasurement of deferred tax assets	–	16
Currency translation reclassification on Power Sustainable China	–	54
Revaluation of NCI liabilities and other market-related impacts	(116)	(82)
Restructuring charges	–	(14)
	(116)	(26)
Standalone businesses		
Gain on disposal of Peak and affiliated business	–	325
Lion impairment and other market-related impacts	–	(122)
LMPG impairment and other market-related impacts	–	(177)
LMPG remeasurement of deferred tax liabilities	12	–
	12	26
	(828)	(179)

[1] As reported by Lifeco and IGM.

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

For additional information on each of Lifeco, IGM, GBL, Sagard and Power Sustainable and the Standalone businesses, refer to their respective "Adjustments" sections above. Also refer to the section "Non-IFRS Financial Measures" in this review of financial performance.

Financial Position

CONSOLIDATED BALANCE SHEETS (condensed)

The condensed balance sheets of Lifeco, IGM, and the combined holding company balance sheet of Power Corporation and Power Financial, as well as the Alternative asset investment platforms and Other, are presented below. These tables reconcile the holding company balance sheet with the condensed consolidated balance sheet of the Corporation at December 31, 2025 and 2024, which are included in Note 35 of the 2025 Consolidated Financial Statements.

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

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

[2] Indirectly held through Parjointco. The holding company balance sheet includes the Corporation's investment in GBL, which is separately presented in Note 35 of the 2025 Consolidated Financial Statements.

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

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

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

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

December 31, 2024	Lifeco	IGM	Holding company	Alternative asset investment platforms and other ^[1]	Effect of consolidation	Power Corporation consolidated balance sheet
Assets						
Cash and cash equivalents	10,709	910	1,606	858	(339)	13,744
Investments	231,478	5,600	101	2,497	311	239,987
Investments in publicly traded operating companies, investment platforms and other:						
Lifeco and IGM	407	634	21,202	–	(22,243)	–
GBL ^[2]	–	–	3,683	–	–	3,683
Other	705	1,331	1,738	–	(3,774)	–
Investments in jointly controlled corporations and associates	486	3,346	–	1,780	(494)	5,118
Insurance contract assets	1,193	–	–	–	–	1,193
Reinsurance contract held assets	17,842	–	–	–	–	17,842
Other assets	26,571	4,948	349	20,047	(160)	51,755
Intangible assets ^[3]	4,958	1,277	1	828	(90)	6,974
Goodwill ^[3]	11,428	2,637	–	204	408	14,677
Investments on account of segregated fund policyholders	496,386	–	–	–	–	496,386
Total assets	802,163	20,683	28,680	26,214	(26,381)	851,359
Liabilities						
Insurance contract liabilities	155,683	–	–	–	–	155,683
Investment contract liabilities	90,157	–	–	–	–	90,157
Reinsurance contract held liabilities	795	–	–	–	–	795
Obligations to securitization entities	–	5,025	–	–	–	5,025
Power Corporation's debentures and other debt instruments	–	–	647	–	–	647
Non-recourse debentures and other debt instruments of: ^[4]						
Power Financial, Lifeco and IGM	9,469	2,400	250	–	(88)	12,031
Consolidated investment funds and Other	–	–	–	3,878	–	3,878
Other liabilities	17,019	5,387	1,073	20,050	(758)	42,771
Insurance contracts on account of segregated fund policyholders	66,343	–	–	–	–	66,343
Investment contracts on account of segregated fund policyholders	430,043	–	–	–	–	430,043
Total liabilities	769,509	12,812	1,970	23,928	(846)	807,373
Equity						
Limited recourse capital notes	1,500	–	–	–	(1,500)	–
Perpetual preferred shares	2,720	–	2,830	–	(5,550)	–
Non-participating shares	–	–	950	–	–	950
Participating shareholders' equity	25,321	7,801	22,930	1,972	(35,094)	22,930
Non-controlling interests ^{[5][6]}	3,113	70	–	314	16,609	20,106
Total equity	32,654	7,871	26,710	2,286	(25,535)	43,986
Total liabilities and equity	802,163	20,683	28,680	26,214	(26,381)	851,359

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

[2] Indirectly held through Parjointco. The holding company balance sheet includes the Corporation's investment in GBL, which is separately presented in Note 35 of the 2025 Consolidated Financial Statements.

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

[4] The debentures and other debt instruments of controlled and consolidated investments are secured by their assets which are non-recourse to the Corporation. Comparative figures have been disaggregated to conform to the presentation in the current period.

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

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

Consolidated Assets and Liabilities

Total assets of the Corporation increased to \$925.7 billion at December 31, 2025, compared with \$851.4 billion at December 31, 2024, mainly due to the following:

- Investments increased by \$9.8 billion, primarily due to an increase in Lifeco's bond volumes in Canada, Europe and the U.S., as well as higher fair value of bonds in the U.S., and an increase in public and private equity investments in Canada due to purchases and market appreciation.
- Investments on account of segregated fund policyholders, which are measured at fair value, increased by \$54.8 billion, primarily due to the combined impact of market value gains and investment income of \$52.4 billion related to net unrealized capital gains on investments, net deposits of \$1.9 billion, as well as an increase in non-controlling mutual funds interest of \$0.6 billion.

Liabilities increased to \$880.7 billion at December 31, 2025, compared with \$807.4 billion at December 31, 2024, mainly due to the following, as disclosed by Lifeco:

- Insurance contract liabilities increased by \$6.0 billion, primarily due to the impact of market movements and currency movements, partially offset by normal business movements.

- Investment contract liabilities decreased by \$1.1 billion, primarily due to the impact of currency movements and normal business movements, partially offset by market movements.
- Insurance and investment contracts on account of segregated fund policyholders increased by \$54.8 billion, primarily due to the combined impact of market value gains and investment income of \$52.4 billion related to net unrealized capital gains on investments, as well as net deposits of \$1.9 billion.

Insurance and investment contract liabilities represent the amounts that, together with estimated future premiums and investment income, will be sufficient to pay estimated future benefits, dividends and expenses on policies in force. Insurance and investment contract liabilities are determined using generally accepted actuarial practices, according to standards established by the Canadian Institute of Actuaries. For additional information, refer to Lifeco's annual MD&A.

Refer to Lifeco's and IGM's annual MD&As for a discussion on their respective consolidated balance sheets.

HOLDING COMPANY BALANCE SHEETS

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

December 31	2025	2024
Holding company assets		
Cash and cash equivalents ⁽¹⁾	2,232	1,606
Investment in:		
Lifeco	17,237	17,108
IGM	4,337	4,094
GBL ⁽²⁾	3,291	3,683
Sagard and Power Sustainable ⁽³⁾	1,525	1,649
Standalone businesses ⁽⁴⁾	84	89
Other assets and investments ⁽⁵⁾	803	451
Total holding company assets	29,509	28,680
Holding company liabilities		
Debentures and other debt instruments ⁽⁶⁾	897	897
Other liabilities	1,350	1,073
Total holding company liabilities	2,247	1,970
Holding company equity		
Perpetual preferred shares ⁽⁷⁾	2,830	2,830
Non-participating shares	1,350	950
Participating shareholders' equity	23,082	22,930
Total holding company equity	27,262	26,710
Total holding company liabilities and equity	29,509	28,680

[1] Cash equivalents include \$560 million (\$339 million at December 31, 2024) of fixed income securities with maturities of more than three months. In accordance with IFRS, these are classified as investments in the 2025 Consolidated Financial Statements.

[2] Indirectly held through Parjointco.

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

[4] Controlled standalone business is presented using the equity method for purposes of the holding company presentation.

[5] Includes \$83 million of dividends declared in the fourth quarter by IGM (same as at December 31, 2024) and received by Power Financial on January 30, 2026.

Other investments include portfolio investments in private investment funds, classified as FVPL. At December 31, 2025, the Corporation had outstanding commitments to make future capital contributions to these funds for an aggregate amount of \$26 million.

[6] Includes Power Financial's debentures of \$250 million at December 31, 2025 (same as at December 31, 2024).

[7] Perpetual preferred shares issued by Power Financial.

Cash and Cash Equivalents

Cash and cash equivalents held by the Corporation and Power Financial amounted to \$2,232 million at December 31, 2025, compared with \$1,606 million at the end of December 2024 (see "Holding Company Statements of Cash Flows" below for details).

The cash and cash equivalents held within the investment activities of Sagard and Power Sustainable amounted to \$30 million at December 31, 2025 (\$51 million at December 31, 2024) and are included in the carrying amount of the investment platforms.

Investments

Investments in Lifeco, IGM and GBL (at equity)

The table below presents a continuity of the investments in Lifeco, IGM and GBL, which are presented using the equity method for the purposes of the holding company presentation. The carrying value of the investments in Lifeco, IGM and GBL, accounted for using the equity method, decreased to \$24,865 million at December 31, 2025, compared with \$24,885 million at December 31, 2024:

	Lifeco	IGM	GBL ^[1]	Total
Carrying value, beginning of year	17,108	4,094	3,683	24,885
Contribution from adjusted net earnings	3,138	640	(38)	3,740
Contribution from adjustments	(517)	18	(225)	(724)
Disposals	(768)	–	–	(768)
Share of other comprehensive income (loss)	(11)	(28)	46	7
Dividends	(1,544)	(333)	(175)	(2,052)
Effect of changes in ownership and other	(169)	(54)	–	(223)
Carrying value, at December 31, 2025	17,237	4,337	3,291	24,865

[1] Indirectly held through Parjointco.

Alternative Asset Investment Platforms

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

Alternative asset investment platforms are comprised of the following investments:

Carrying value, as at December 31	2025	2024
Asset management companies		
Sagard	164	115
Power Sustainable	–	2
Investing activities		
Sagard ^[1]	1,182	1,031
Power Sustainable	179	501
	1,525	1,649

[1] Includes Power Financial's investments in Portage Ventures I, Portage Ventures II and Wealthsimple.

Income Taxes

The non-capital losses of the holding company, at December 31, 2025, were \$1,524 million (\$1,521 million for which the benefits have not been recognized) and are available to reduce future taxable income (including capital gains). These losses expire from 2028 to 2045.

The capital losses of the holding company, at December 31, 2025, were \$192 million (\$98 million for which the benefits have not been recognized) and can be used indefinitely to offset capital gains.

In addition, at December 31, 2025, deductible temporary differences for which the benefits have not been recognized were \$570 million.

Equity

Non-Participating Shares

Non-participating (preferred) shares of the Corporation consist of seven series of First Preferred Shares with an aggregate share capital of \$1,350 million at December 31, 2025 (\$950 million at December 31, 2024), all of which are non-cumulative. All series are perpetual preferred shares and are redeemable in whole or in part solely at the Corporation's option.

On September 22, 2025, the Corporation issued 8,000,000 5.75% Non-Cumulative First Preferred Shares, Series H at \$25.00 per share, for gross proceeds of \$200 million. Refer to Note 19 of the 2025 Consolidated Financial Statements for additional information.

On November 20, 2025, the Corporation issued 8,000,000 5.65% Non-Cumulative First Preferred Shares, Series I at \$25.00 per share, for gross proceeds of \$200 million. Refer to Note 19 of the 2025 Consolidated Financial Statements for additional information.

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

Participating shareholders' equity

Participating shareholders' equity was \$23,082 million at December 31, 2025, compared with \$22,930 million at December 31, 2024:

Twelve months ended December 31	2025	2024
Participating shareholders' equity, at the beginning of the year	22,930	21,193
Changes in participating shares		
Purchase for cancellation of subordinate voting shares under NCIB	(190)	(161)
Issuance of subordinate voting shares (3,305,264 shares in 2025 and 3,165,255 shares in 2024) under the Corporation's Executive Stock Option Plans	113	113
	(77)	(48)
Changes in retained earnings		
Net earnings before dividends on non-participating shares	2,627	2,795
Dividends declared	(1,623)	(1,509)
Purchase for cancellation of subordinate voting shares under NCIB	(521)	(269)
Realized gains on FVOCI equity instruments transferred to retained earnings	29	238
Effects of changes in capital and ownership of subsidiaries, and other	(202)	104
	310	1,359
Changes in reserves		
Other comprehensive income (loss)		
Foreign currency translation adjustments	(329)	663
Investment revaluation and cash flow hedges	277	(210)
Actuarial gains (losses) on defined benefit plans	62	158
Share of Parjointco and other jointly controlled corporations and associates	(89)	(104)
Share-based compensation, including the effect of changes in capital and ownership of subsidiaries	(2)	(81)
	(81)	426
Participating shareholders' equity, at December 31	23,082	22,930

The book value per participating share (refer to the section "Other Measures") of the Corporation was \$36.31 at December 31, 2025, compared with \$35.56 at the end of 2024.

Outstanding number of participating shares

At the date hereof, there were 54,860,866 Participating Preferred Shares of the Corporation outstanding (same as at December 31, 2024), and 577,955,198 Subordinate Voting Shares of the Corporation outstanding, compared with 589,948,328 at December 31, 2024.

At the date hereof, options were outstanding to purchase up to an aggregate of 13,932,337 Subordinate Voting Shares of the Corporation, including 3,125,198 Subordinate Voting Shares issuable pursuant to options under the Power Financial Employee Stock Option Plan, which has been assumed by the Corporation, and 323,542 Subordinate Voting Shares were issuable pursuant to outstanding performance restricted share units.

Normal Course Issuer Bids

The Corporation's NCIB that commenced on March 1, 2024 expired on February 28, 2025. On March 1, 2025, the Corporation commenced a new NCIB which was effective until February 28, 2026. Pursuant to this bid, the Corporation was able to purchase up to 20 million of its Subordinate Voting Shares outstanding (representing approximately 3.7% of the public float of Subordinate Voting Shares outstanding at February 18, 2025) at market prices.

The Corporation repurchased and cancelled 12.4 million Subordinate Voting Shares for a total of \$711 million in the twelve-month period ended December 31, 2025 (10.6 million Subordinate Voting Shares for a total of \$430 million in the twelve-month period ended December 31, 2024).

SUBSEQUENT EVENT

On March 1, 2026, the Corporation commenced a new NCIB which is effective until the earlier of February 28, 2027 and the date on which the Corporation has purchased the maximum permitted number of Subordinate Voting Shares. Pursuant to this bid, the Corporation may purchase up to 20 million of its Subordinate Voting Shares outstanding (representing approximately 3.8% of the public float of Subordinate Voting Shares outstanding at February 16, 2026) at market prices. At March 18, 2026, the Corporation has repurchased 3.0 million Subordinate Voting Shares for a total of \$206 million under the NCIB programs during 2026.

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

Adjusted Net Asset Value

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

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

- Investments in investment funds are valued at the fair value reported by the fund which is net of carried interest or other incentives.

The presentation of the participating shareholders' equity at fair value is not in accordance with IFRS; adjusted net asset value is a non-IFRS financial measure. Refer to the section "Non-IFRS Financial Measures" for a description and a reconciliation of IFRS and non-IFRS financial measures. The Corporation's adjusted net asset value is presented on a look-through basis. The combined holding company balance sheets of Power Corporation and Power Financial include the investments held in public entities through Power Financial (Lifeco, IGM and GBL), and the net debt and preferred shares of Power Financial. The adjusted net asset value per share, a non-IFRS ratio, was \$85.77 at December 31, 2025, compared with \$60.44 at December 31, 2024, representing an increase of 41.9%. The Corporation's book value per participating share (refer to the section "Other Measures") was \$36.31 at December 31, 2025, compared with \$35.56 at December 31, 2024, representing an increase of 2.1%.

December 31	2025			2024		
	Holding company balance sheet	Fair value adjustment	Adjusted net asset value	Holding company balance sheet	Fair value adjustment	Adjusted net asset value
Holding company assets						
Investments						
Power Financial						
Lifeco	17,237	24,910	42,147	17,108	13,184	30,292
IGM	4,337	4,807	9,144	4,094	2,698	6,792
GBL ⁽¹⁾	3,291	(600)	2,691	3,683	(1,521)	2,162
Alternative asset investment platforms						
Asset management companies ⁽²⁾						
Sagard	164	244	408	115	314	429
Power Sustainable	–	–	–	2	–	2
Investing activities						
Sagard ⁽³⁾	1,182	1,357	2,539	1,031	721	1,752
Power Sustainable	179	723	902	501	652	1,153
Standalone businesses	84	3	87	89	(4)	85
Cash and cash equivalents	2,232	–	2,232	1,606	–	1,606
Other assets and investments	803	–	803	451	–	451
Total holding company assets	29,509	31,444	60,953	28,680	16,044	44,724
Holding company liabilities and non-participating shares						
Debentures and other debt instruments	897	–	897	897	–	897
Other liabilities ⁽⁴⁾	1,350	–	1,350	1,073	–	1,073
Non-participating shares and perpetual preferred shares	4,180	–	4,180	3,780	–	3,780
Total holding company liabilities and non-participating shares	6,427	–	6,427	5,750	–	5,750
Net value						
Participating shareholders' equity (IFRS)/						
Adjusted net asset value (non-IFRS)	23,082	31,444	54,526	22,930	16,044	38,974
Per share	36.31		85.77	35.56		60.44

[1] The Corporation's share of GBL's reported net asset value was \$3.9 billion (€2.4 billion) at December 31, 2025 (\$3.9 billion (€2.6 billion) at December 31, 2024).

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

[3] Includes the Corporation's investments in Portage Ventures I, Portage Ventures II and Wealthsimple, held by Power Financial.

[4] In accordance with IAS 12, *Income Taxes*, no deferred tax liability is recognized with respect to temporary differences associated with investments in subsidiaries and jointly controlled corporations as the Corporation is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. If the Corporation were to dispose of an investment in a subsidiary or a jointly controlled corporation, income taxes payable on such disposition would be minimized through careful and prudent tax planning and structuring, as well as with the use of available tax attributes not otherwise recognized on the balance sheet, including tax losses, tax basis, safe income and foreign tax surplus associated with the subsidiary or jointly controlled corporation.

Investments measured at market value and cash represent 92.4% of the total assets at fair value at December 31, 2025 (91.7% at December 31, 2024). A 10% change in the market value of publicly traded investments would result in a change in the Corporation's adjusted net asset value of \$5,407 million or \$8.51 per share.

Cash Flows

CONSOLIDATED STATEMENTS OF CASH FLOWS (condensed)

The condensed cash flows of Lifeco, IGM and the holding company cash flows of Power Corporation and Power Financial on a combined basis, as well as the Corporation's alternative asset investment platforms, are presented below. These tables reconcile the holding company statement of cash flows to the condensed consolidated statement of cash flows of the Corporation for the twelve-month periods ended December 31, 2025 and 2024, which are included in Note 35 of the 2025 Consolidated Financial Statements. This presentation assists the reader in assessing the cash flows of the holding company.

Twelve months ended December 31, 2025	Lifeco	IGM	Holding company	Alternative asset investment platforms and Other ⁽¹⁾	Effect of consolidation	Power Corporation consolidated
Cash flows from:						
Operating activities	2,708	1,035	1,791	961	(1,715)	4,780
Financing activities	(4,322)	(972)	(1,958)	1,307	2,274	(3,671)
Investing activities	(56)	301	793	(606)	(780)	(348)
Effect of changes in exchange rates on cash and cash equivalents	(137)	–	–	(2)	–	(139)
Increase (decrease) in cash and cash equivalents	(1,807)	364	626	1,660	(221)	622
Cash and cash equivalents, beginning of the year	10,709	910	1,606	858	(339)	13,744
Cash and cash equivalents, at December 31	8,902	1,274	2,232	2,518	(560)	14,366

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

Twelve months ended December 31, 2024	Lifeco	IGM	Holding company	Alternative asset investment platforms and Other ⁽¹⁾	Effect of consolidation	Power Corporation consolidated
Cash flows from:						
Operating activities	4,751	1,092	1,688	(37)	(1,603)	5,891
Financing activities	(2,285)	(253)	(1,958)	1,090	2,146	(1,260)
Investing activities	(408)	(474)	658	(861)	(675)	(1,760)
Effect of changes in exchange rates on cash and cash equivalents	534	–	–	27	–	561
Increase (decrease) in cash and cash equivalents	2,592	365	388	219	(132)	3,432
Cash and cash equivalents, beginning of the year	8,117	545	1,218	639	(207)	10,312
Cash and cash equivalents, at December 31	10,709	910	1,606	858	(339)	13,744

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

Consolidated cash and cash equivalents increased by \$622 million in the twelve-month period ended December 31, 2025, compared with an increase of \$3,432 million in the corresponding period in 2024.

Operating activities produced a net inflow of \$4,780 million in the twelve-month period ended December 31, 2025, compared with a net inflow of \$5,891 million in the corresponding period in 2024.

Cash flows from financing activities, which include the issuance and repayment of capital instruments, the issuance and repurchase of participating and preferred shares, the issuance and redemption of common shares, limited-life fund and redeemable units by subsidiaries, dividends paid on the participating and non-participating shares of the

Corporation, dividends paid by subsidiaries to non-controlling interests and increases and repayments of obligations to securitization entities by IGM, represented a net outflow of \$3,671 million in the twelve-month period ended December 31, 2025, compared with a net outflow of \$1,260 million in the corresponding period in 2024.

Cash flows from investing activities resulted in a net outflow of \$348 million in the twelve-month period ended December 31, 2025, compared with a net outflow of \$1,760 million in the corresponding period in 2024.

Refer to Lifeco's and IGM's annual MD&A for a discussion on their respective cash flows.

HOLDING COMPANY STATEMENTS OF CASH FLOWS

As Power Corporation is a holding company, corporate cash flows are primarily comprised of dividends received, income from investments and income (loss) from cash and cash equivalents, less operating expenses, financing charges, income taxes, and non-participating and participating share dividends. The following combined statements of cash flows of Power Corporation and Power Financial present the cash flows of the holding company. This presentation has been prepared to assist the reader as it isolates the cash flows of the activities of the holding company.

Twelve months ended December 31	2025	2024
Operating activities of the holding company		
Dividends		
Lifeco	1,544	1,411
IGM	333	333
GBL	175	92
Corporate operations, net of non-cash items ^[1]	(261)	(148)
	1,791	1,688
Financing activities of the holding company		
Dividends paid on:		
Non-participating shares	(52)	(52)
Participating shares	(1,541)	(1,437)
Perpetual preferred shares	(139)	(140)
Issuance of non-participating shares	400	–
Issuance of subordinate voting shares	104	103
Repurchase of subordinate voting shares	(711)	(430)
Other ^[2]	(19)	(2)
	(1,958)	(1,958)
Investing activities of the holding company		
Distributions and proceeds from disposal of investments ^[3]	595	1,109
Disposal of Lifeco shares	768	–
Purchase of investments	(562)	(441)
Other	(8)	(10)
	793	658
Increase in cash and cash equivalents	626	388
Cash and cash equivalents, at the beginning of the year	1,606	1,218
Cash and cash equivalents, at December 31	2,232	1,606

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

[2] Includes share issuance costs incurred in 2025.

[3] Includes proceeds from the sale of direct investments in energy infrastructure in 2025 and from the disposal of the Corporation's investments within Power Sustainable China in 2024.

Cash and cash equivalents of the Corporation and Power Financial increased by \$626 million in the twelve-month period ended December 31, 2025, compared with an increase of \$388 million in the corresponding period in 2024.

Operating activities resulted in a net inflow of \$1,791 million in the twelve-month period ended December 31, 2025, compared with a net inflow of \$1,688 million in the corresponding period in 2024. Dividends received from the publicly traded operating companies include:

Twelve months ended December 31 [in millions of dollars; except as otherwise noted]	2025		2024	
	Dividend per share	Total dividend received	Dividend per share	Total dividend received
Lifeco	2.44	1,544	2.22	1,411
IGM	2.25	333	2.25	333

- Total dividend received from Parjointco was \$175 million (€112 million) for the period ended December 31, 2025, compared with \$92 million (€62 million) for the period ended December 31, 2024.
- On February 11, 2026, subsequent to year-end, Lifeco announced a 10% increase in the quarterly dividend on its common shares, from \$0.6100 per share to \$0.6700 per share, payable on March 31, 2026.
- On February 12, 2026, subsequent to year-end, IGM announced a 10% increase in the quarterly dividend on its common shares, from \$0.5625 per share to \$0.6200 per share, payable on April 30, 2026.

The Corporation's financing activities during the twelve-month period ended December 31, 2025 resulted in a net outflow of \$1,958 million, comparable with the corresponding period in 2024, and included:

- Dividends paid on non-participating and participating shares by the Corporation of \$1,593 million, compared with \$1,489 million in the corresponding period in 2024. In the twelve-month period ended December 31, 2025, dividends paid on the Corporation's participating shares were \$2.4000 per share, compared with \$2.2125 in the corresponding period in 2024.
- Dividends paid on preferred shares by Power Financial of \$139 million, compared with \$140 million in the corresponding period in 2024.
- Issuance of non-participating shares of the Corporation for \$400 million, compared with no issuance in 2024.
- Issuance of Subordinate Voting Shares of the Corporation for \$104 million pursuant to the Corporation's Executive Stock Option Plan and the Power Financial Employee Stock Option Plan, compared with issuance for an amount of \$103 million in the corresponding period in 2024.
- Repurchase of Subordinate Voting Shares of \$711 million, as part of the NCIB, in the twelve-month period ended December 31, 2025, compared with repurchase for an amount of \$430 million in the corresponding period in 2024.

The Corporation's investing activities during the twelve-month period ended December 31, 2025 resulted in a net inflow of \$793 million, compared with a net inflow of \$658 million in the corresponding period in 2024. The twelve-month period ended December 31, 2025 includes proceeds of \$768 million from the sale of Lifeco shares through Power Financial's participation in Lifeco's NCIB to maintain its approximate proportionate ownership.

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

The Corporation increased its level of fixed income securities with maturities of more than three months, resulting in a net outflow of \$221 million in the twelve-month period ended December 31, 2025, compared with a net outflow of \$36 million in the corresponding period in 2024.

Capital Management

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

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

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

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

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

The Corporation's consolidated capitalization includes the debentures, preferred shares and other equity instruments, and other debt instruments issued by its consolidated subsidiaries. Debentures and other debt instruments issued by Power Financial, Lifeco, IGM and consolidated investment funds and other are non-recourse to the Corporation. The Corporation does not guarantee debt issued by its subsidiaries. Non-participating shares and total equity accounted for 74% of consolidated capitalization at December 31, 2025.

December 31	2025	2024
Debentures and other debt instruments		
Power Corporation	647	647
Power Financial	250	250
Lifeco	8,792	9,469
IGM	2,400	2,400
Consolidated investment funds and Other ⁽¹⁾	4,146	3,878
Effect of consolidation	(88)	(88)
	15,500	15,909
	16,147	16,556
Non-participating shares and other equity instruments		
Power Corporation	1,350	950
Power Financial	2,830	2,830
Lifeco	4,420	4,220
	7,250	7,050
	8,600	8,000
Equity		
Participating shareholders' equity	23,082	22,930
Non-controlling interests ⁽²⁾	13,366	13,056
	36,448	35,986
	61,195	60,542

[1] Includes other debt instruments of consolidated investment funds and their controlled investments and standalone businesses; consists of \$613 million (\$531 million in 2024) of debt including revolving credit facilities and mortgages on investment properties held by the investment funds and other subsidiaries, \$3,287 million (\$3,091 million in 2024) of project-related debt held within the Power Sustainable Energy Infrastructure platform, and \$246 million (\$256 million in 2024) of other debt held by standalone businesses. The other debt instruments are secured by the assets of the controlled investments which are non-recourse to the Corporation. The other debt instruments held by standalone businesses are subject to certain financial covenants including a minimum cumulative earnings before interest, income taxes, depreciation and amortization (EBITDA) covenant. At December 31, 2025, this covenant was not in compliance. The lenders have provided a tolerance letter valid until April 30, 2026. See Note 16 B) to the 2025 Consolidated Financial Statements for additional information.

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

Power Corporation

- The Corporation filed a short-form base shelf prospectus dated November 19, 2024, pursuant to which, for a period of 25 months thereafter, the Corporation may issue First Preferred Shares, Subordinate Voting Shares, subscription receipts and unsecured debt securities, or any combination thereof. This filing provides the Corporation with the flexibility to access debt and equity markets on a timely basis.
- The Corporation commenced an NCIB on March 1, 2025 which was effective until February 28, 2026. Refer to the section "Participating Shareholders' Equity" for more information.
- On September 22, 2025, the Corporation issued 8,000,000 5.75% Non-Cumulative First Preferred Shares, Series H at \$25.00 per share, for gross proceeds of \$200 million. The net proceeds will be used for general corporate purposes.
- On November 20, 2025, the Corporation issued 8,000,000 5.65% Non-Cumulative First Preferred Shares, Series I at \$25.00 per share, for gross proceeds of \$200 million. The net proceeds will be used for general corporate purposes.

SUBSEQUENT EVENT

- The Corporation commenced an NCIB on March 1, 2026 which is effective until the earlier of February 28, 2027 and the date on which the Corporation has purchased the maximum permitted number of Subordinate Voting Shares. Refer to the section "Participating Shareholders' Equity" for more information.

Power Financial

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

Lifeco

- On August 12, 2025, Lifeco's subsidiary repaid its 0.904% US\$500 million senior unsecured notes upon maturity, together with accrued interest.
- On September 24, 2025, Lifeco issued 8,000,000 5.70% Non-Cumulative First Preferred Shares, Series Z at \$25.00 per share for gross proceeds of \$200 million.

The Corporation itself is not subject to externally imposed regulatory capital requirements; however, Lifeco and certain of its main subsidiaries, certain of IGM's subsidiaries and certain of the Corporation's other subsidiaries are subject to regulatory capital requirements. See Note 22 to the Corporation's 2025 Consolidated Financial Statements for additional information. Lifeco's and IGM's annual MD&As further describe their respective capital management activities.

RATINGS

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

Credit ratings are intended to provide investors with an independent measure of the credit quality of the securities of a corporation and are indicators of the likelihood of payment and the capacity of a corporation to meet its obligations in accordance with the terms of each obligation. Descriptions of the rating categories for each of the agencies set forth below have been obtained from the respective rating agencies' websites. These ratings are not a recommendation to buy, sell or hold the securities of a corporation and do not address market price or other factors that might determine suitability of a specific security for a particular investor.

The ratings also may not reflect the potential impact of all risks on the value of securities and are subject to revision or withdrawal at any time by the rating organization.

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

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

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

For additional information on the credit ratings of Lifeco and IGM, refer to their respective annual MD&As.

Risk Management

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

RISK OVERSIGHT

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

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

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

There are certain risks inherent in an investment in the securities of the Corporation and in the activities of the Corporation, including the following and others discussed elsewhere in this review of financial performance, which investors should carefully consider before investing in securities of the Corporation. The following is a review of certain risks that could impact the financial condition and financial performance, and the value of the equity of the Corporation. This description of risks does not include all possible risks, and there may be other risks of which the Corporation is not currently aware.

The following section discusses the risks specific to the Corporation including the liquidity risk, credit risk and market risk of the Corporation including Power Financial and the alternative asset investment platforms. For additional information on risk management at Lifeco and IGM, refer to their respective annual MD&As.

STRATEGIC RISK

Strategic risk arises as a result of ineffective strategic decision making, inadequate strategies or a lack of responsiveness to important changes to the business environment, including macroeconomic or country risk events, or changes to the regulatory environment. In addition, strategic risk includes risks associated with the Corporation's holding company structure and potential future acquisitions.

The successful execution of the Corporation's investment strategy is uncertain as it requires suitable opportunities, careful timing and business judgment. The Corporation's approach consists in overseeing, through the Board of Directors, its operating businesses and investments with a view to generate long-term, sustainable growth in earnings and dividends. The Corporation aims to act like an owner with a long-term perspective and a strategic vision anchored in strong core values.

The Chief Executive Officer is responsible for developing the Corporation's proposed strategic plans, in light of emerging opportunities and risks and with a view to the Corporation's sustained profitable growth and long-term value creation, and for implementing the approved strategic plans. The Board of Directors is responsible for approving the long-term goals and objectives for the Corporation, and, after considering alternatives, approving the strategic plans developed by the Chief Executive Officer.

The Board of Directors also monitors senior management's implementation of the approved plans; assesses the achievement of the Corporation's goals and objectives; reviews and approves on at least an annual basis management's financial plan; and reviews and approves any significant transactions and strategic capital management decisions regarding the Corporation.

LIQUIDITY RISK

Liquidity risk is the risk that the Corporation would not be able to meet all cash outflow obligations as they come due or not be able to, in a timely manner, raise capital or monetize assets at normal market conditions.

As a holding company, Power Corporation'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 operating subsidiaries, investment platforms and other investments, and its ability to raise additional capital. Dividends to shareholders of Power Corporation is at the discretion of its Board of Directors and is dependent on the operating performance, profitability, financial position and creditworthiness of its subsidiaries, jointly controlled corporations and associates, as well as on their ability to pay dividends. The payment of interest and dividends by the Corporation'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. The requirements imposed by the regulators in any jurisdiction may change from time to time, and thereby impact the ability of the operating subsidiary to pay dividends.

The Corporation makes certain investments through its investment platforms in the securities of private companies and illiquid securities. These investments may offer relatively high potential returns, but may also be subject to a relatively higher degree of risk. From time to time, it may be in the best interests of the Corporation to exit these investments. However, securities of private companies and illiquid securities may not have a ready market and the Corporation may be unable to sell such securities at acceptable prices on a timely basis or at all. Illiquidity may limit the Corporation's ability to realize a return or to vary components of its investment portfolio promptly in response to changing conditions. In some cases, the Corporation may also be restricted by contract or by applicable laws from selling such securities for a period of time. The valuation of private companies is inherently difficult because there is a certain level of uncertainty in the assumptions used to determine the fair value of these investments.

Contractual maturities of certain liabilities were as follows:

December 31, 2025	Payments due by period				Total
	Demand	1 year or less	1-5 years	Over 5 years	
Client funds payable ^[1]	21,494	–	–	–	21,494
Power Corporation's debentures	–	–	–	650	650
Non-recourse debentures and other debt instruments					
Power Financial	–	–	–	250	250
Consolidated investment funds and Other	–	1,316	1,033	1,891	4,240
Future lease payments	–	47	174	617	838
Pension contributions	–	16	–	–	16
	21,494	1,379	1,207	3,408	27,488

[1] Client funds payable due on demand are primarily offset by other subsidiaries' funds held on behalf of clients.

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

Power Corporation, Power Financial and the investment platforms' management of liquidity risk has not changed materially since December 31, 2024.

The Corporation and Power Financial regularly review their liquidity requirements and seek to maintain a sufficient level of liquidity to meet their operating expenses, financing charges and payment of preferred share dividends for a reasonable period of time, as defined in their policies. The ability of Power Corporation, including through Power Financial, to arrange additional financing in the future will depend in part upon prevailing market conditions as well as the business performance and the risk profile of the Corporation 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 Corporation to access sufficient capital on acceptable terms could have a material adverse effect on Power Corporation's business, prospects, dividend paying capability and financial condition, and further enhancement opportunities or acquisitions.

The Corporation held \$2.2 billion of cash and cash equivalents, including fixed income securities and amounts held by Power Financial, at December 31, 2025. Liquidity is also available through the Corporation's lines of credit with Canadian banks. The Corporation has a committed line of credit of \$500 million. The Corporation also maintains an uncommitted line of credit of \$100 million, and any advances are at the bank's sole discretion. At December 31, 2025 and 2024, the Corporation was not utilizing its committed line of credit or uncommitted line of credit.

The investment platforms including the controlled and consolidated investments have committed and uncommitted lines of credit of \$1,081 million and \$357 million, respectively, with Canadian and U.S. banks (\$612 million and \$294 million, respectively, was undrawn at December 31, 2025).

Principal repayments on debentures and other debt instruments, and client funds payable (other than those of Lifeco and IGM) represent the only significant contractual liquidity requirements. The debt instruments of Power Financial as well as those held by the investment platforms, including the controlled and consolidated investments, are non-recourse to the Corporation.

CREDIT RISK AND MARKET RISK

In order to maintain an appropriate level of available liquidity, the Corporation maintains a portfolio of financial instruments which can be a combination of cash and cash equivalents, fixed income securities, other investments (consisting of equity securities and investment funds) and derivatives. The Corporation also holds, through Power Financial and its investment platforms, shares of private and publicly traded companies, funds held on behalf of clients, securities borrowed, other loans and derivatives. Those investments bear credit and market risks as described in the following sections.

Credit Risk

Credit risk is the potential for financial loss to the Corporation if a counterparty in a transaction fails to meet its payment obligations. Credit risk can be related to the default of a single debt issuer, the variation of credit spreads on tradable fixed income securities and also to counterparty risk relating to derivatives products.

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

Fixed income securities, which are included in investments and in cash and cash equivalents, consist primarily of bonds and highly liquid temporary deposits with Canadian chartered banks and banks in jurisdictions where Power Corporation, Power Financial and the investment platforms including controlled and consolidated investments operate, as well as bonds and short-term securities of, or guaranteed by, the Canadian or U.S. governments. The Corporation and Power Financial regularly review the credit ratings of their counterparties. The maximum exposure to credit risk on these financial instruments is their carrying value.

Other controlled and consolidated investments had funds held on behalf of clients of \$21,494 million at December 31, 2025 (\$12,902 million in 2024), which are mainly held with Schedule I chartered banks.

The financial instruments held by the investment platforms and Power Financial include other loans and are subject to credit risk. The investment platforms held other loans, classified as FVPL and as amortized cost, of \$686 million and \$1,224 million, respectively, at December 31, 2025 (\$314 million and nil, respectively, at December 31, 2024). The investment platforms regularly review the credit ratings of their counterparties and the maximum exposure to credit risk on these financial instruments is their carrying value.

Derivatives can be also used mainly to mitigate foreign exchange or equity exposures. Power Corporation and Power Financial regularly review the credit ratings of derivative financial instrument counterparties. Derivative contracts are over-the-counter with counterparties that are highly rated financial institutions.

Investment platforms including controlled and consolidated investments are also exposed to credit risk through derivative contracts used to hedge interest rate risk or mitigate foreign exchange exposures, and regularly review the credit ratings of their counterparties. The exposure to credit risk on these financial instruments is limited to their carrying value.

Power Corporation, Power Financial and the investment platforms' exposure to and management of credit risk related to cash and cash equivalents, fixed income securities, funds held on behalf of clients, securities borrowed, other loans and derivatives have not changed materially since December 31, 2024.

Market Risk

Market risk is the risk that the market value or future cash flows of a financial instrument will fluctuate as a result of changes in market factors. Market factors include foreign exchange risk, interest rate risk and equity risk.

Foreign Exchange Risk

Foreign exchange risk relates to the Corporation, Power Financial and the investment platforms operating in different currencies and converting non-Canadian investments and earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur.

In its ongoing operations, the Corporation may hold cash balances denominated in foreign currencies and thus be exposed to fluctuations in exchange rates. In order to protect against such fluctuations, Power Corporation and Power Financial may from time to time enter into currency-hedging transactions with highly rated financial institutions. At December 31, 2025, approximately 17% of the \$2,232 million (46% of \$1,606 million at December 31, 2024) of Power Corporation and Power Financial's cash and cash equivalents and fixed income securities were denominated in foreign currencies, consisting of \$252 million in U.S. dollars, \$126 million in euros, \$3 million in Swiss francs and \$3 million in Chinese renminbi. At December 31, 2025, approximately 76% (55% at December 31, 2024) of Power Corporation, Power Financial and investment platforms' cash and cash equivalents and fixed income securities were denominated in Canadian dollars.

Investments held by Power Corporation, Power Financial and through its investment platforms are either classified as FVOCI or at FVPL. These investments are diversified among the U.S. dollar and the euro which contributes to reducing the concentration of foreign exchange risk. All unrealized gains and losses due to foreign exchange rate variations on investments classified as FVOCI are recorded in other comprehensive income. Unrealized gains and losses on investments classified as FVPL resulting from foreign exchange rate variations are recorded directly in net earnings. At December 31, 2025 the impact of a 5% strengthening of the Canadian dollar against foreign currencies would result in a loss recorded in net earnings of approximately \$108 million. At December 31, 2025 investments classified as FVOCI were not significant. Power Corporation's and Power Financial's debentures are denominated in Canadian dollars.

Power Corporation has net investments in foreign operations. In accordance with IFRS, foreign currency translation gains and losses from net investments in foreign operations are recorded in other comprehensive income. Strengthening or weakening of the Canadian dollar spot rate compared with the U.S. dollar spot rate impacts the Corporation's total equity.

Power Financial is exposed to foreign exchange risk on its investment in GBL held through Parjointco as its functional currency is the euro. Foreign currency translation gains and losses on this investment are recorded in other comprehensive income. At December 31, 2025, the impact of a 5% increase (decrease) in Canadian currency relative to the foreign currency would decrease (increase) the aggregate carrying value of foreign investment by approximately \$165 million (\$185 million in 2024).

Interest Rate Risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate following changes in interest rates.

The investment platforms and Power Financial held other loans, classified as FVPL, of \$686 million and are exposed to interest rate risk (\$314 million at December 31, 2024). The investment platforms also held other loans, classified as amortized cost, of \$1,224 million (nil at December 31, 2024). As at December 31, 2025, the impact to net earnings of a 100 basis point increase in interest rates would not have been significant.

The investment platforms including controlled and consolidated investments are exposed to interest rate risk on funds held on behalf of clients of \$21,494 million (\$12,902 million at December 31, 2024) invested in interest-bearing accounts, of which the majority have an offsetting liability.

Power Corporation, Power Financial and the investment platforms' financial instruments do not have significant exposure to interest rate risk.

Equity Risk

Equity risk is the potential loss associated with the sensitivity of the market price of a financial instrument arising from volatility in equity markets.

Investments held by Power Corporation, Power Financial and through its investment platforms are either classified as FVOCI or FVPL. All unrealized gains and losses on investments classified as FVOCI are recorded in other comprehensive income and transferred directly to retained earnings on realization. Unrealized gains and losses on investments classified as FVPL are recorded directly in net earnings. At December 31, 2025, investments classified as FVOCI are not significant. At December 31, 2025, the impact of a 10% decrease in the value of other investments held by Power Corporation, Power Financial and in the investment platforms would have resulted in an approximately \$455 million loss recorded in net earnings related to investments classified as FVPL, including investments in jointly controlled corporations and associates measured at FVPL.

The investments held by Power Corporation, Power Financial and through its investment platforms classified as FVOCI or at FVPL, including jointly controlled corporations and associates measured at FVPL, include shares of private and publicly traded companies. The investment platforms are diversified with investment activities primarily in Europe and North America. This diversification avoids a concentration in any one single economy.

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

The market price of the equity securities of Power Corporation's subsidiaries and investments may be volatile and subject to numerous factors beyond such subsidiaries' or investments' control. At times, financial markets have experienced significant price and volume fluctuations that have affected the market price of the equity securities of the subsidiaries and investments, and that are often unrelated to the operating performance, underlying asset values or prospects of such companies. Volatility in the market price of the equity securities of subsidiaries and investments may have an impact on the adjusted net asset value reported by the Corporation.

The alternative asset investment platforms and controlled and consolidated investments, including Wealthsimple, earn fee and other income including management fees which are charged as a percentage of fee-bearing capital or as a percentage of the corresponding AUM or AUA. The AUM levels are impacted by an increase in subscriptions or redemptions, fundraising new capital commitments in closed-ended funds and changes in the market. Global markets by their nature are subject to uncertainty and a variety of risks. Movement in equity market prices, foreign exchange rates, real asset values, interest rates/credit spreads, or other asset values could cause the AUM, revenue and respective earnings of the investment platforms and controlled and consolidated investments to decline materially.

Power Corporation's management of financial instruments risk has not changed materially since December 31, 2024. For a further discussion of Power Corporation's risk management, please refer to Note 23 to the Corporation's 2025 Consolidated Financial Statements. Lifeco's and IGM's annual MD&As further describe their management of financial instruments risk.

OPERATIONAL RISK

Operational risk is defined as the risk of loss resulting from people, inadequate or failed internal processes and technologies, or external events, which include the risks of adverse impacts from unethical practices, including internal and external frauds, corruption and bribery, conflicts of interest and data privacy, as well as inadequate human resources practices, execution and processing errors, model risk, valuation risk, suppliers and third-party risk, business disruptions, cybersecurity, risks related to the inappropriate use of artificial intelligence or other emerging technologies, legal risk and regulatory compliance risk. Although operational risk cannot be eliminated entirely, the Corporation's risk management processes are designed to manage these risks in a thorough and diligent manner.

The Corporation manages operational risk by adopting and applying a series of corporate governance policies, procedures and practices such as human resource and compensation practice policies, a clawback policy for all officers, a Code of Business Conduct and Ethics for directors, officers and employees (the Code of Conduct), a Third Party Code of Conduct, a Global Anti-Bribery Policy, a Global Sanctions Policy, a Privacy Policy, an Artificial Intelligence Use Policy, business continuity procedures, related party transactions review and other corporate governance guidelines. The Corporation also has established a series of controls for financial reporting and disclosure purposes, and such controls, which are tested on a regular basis, can contribute to identifying and mitigating operational risks.

Cybersecurity Risk

The Corporation is exposed to risks relating to cybersecurity, in particular cyber threats, which include cyber-attacks such as, but not limited to, hacking, computer viruses, unauthorized access to confidential, proprietary or sensitive information or other breaches of network or Information Technology (IT) security. The Corporation continues to monitor and enhance its defences and procedures to prevent, detect, respond to and manage cybersecurity threats, which are constantly evolving. Consequently, the Corporation's IT defences are continuously monitored and adapted to both prevent and detect cyber-attacks, and then recover and remediate. Disruption to information systems or breaches of security could result in a negative impact on the Corporation's financial results or result in reputational damage.

Model Risk

Model risk is the risk of adverse consequences arising from the inappropriate use or interpretation of models, or the use of deficient models, data or assumptions by the Corporation or by the investment platforms. Changes in the internal assumptions or other factors affecting the models could lead to a change in fair value. The Corporation and the investment platforms use a variety of models to assist in the valuation of financial instruments, operational scenario testing, management of cash flows, capital management, and assessment of potential acquisitions or investment decisions.

Regulatory Compliance Risk

Regulatory compliance risk is the risk of the Corporation or its employees failing to comply with the regulatory requirements in effect where the Corporation does business, both in Canada and internationally. There are many laws, governmental rules and regulations, including financial reporting and disclosure rules, that apply to the Corporation. Interpretation of these laws, rules and regulations by the Corporation, governmental agencies, or the courts could result in situations of regulatory non-compliance and could adversely affect the Corporation's reputation and result in penalties, fines and sanctions or increased oversight by regulators. The Corporation, in addition to complying with these laws, rules and regulations, must also monitor them closely so that changes therein are taken into account in the management of its activities.

The Corporation ensures that the tax implications of all of its strategic decisions comply with its legal and tax reporting obligations as well as anticipate potential changes in the current legal framework to avoid any risk of non-compliance that could have adverse impacts.

REPUTATION RISK

Reputation risk is the risk that an activity undertaken by the Corporation would be judged negatively by its stakeholders or the public, whether that judgment is with or without basis, thereby impairing its image and resulting potentially in the loss of business, limited financing capacity, legal action or increased regulatory oversight. Reputation risk can arise from a number of events and is generally related to a deficiency in managing another risk. For example, non-compliance with laws and regulations as well as deficiencies in financial reporting and disclosures can have a significant reputational impact on the organization.

The Board of Directors has adopted the Code of Conduct, which includes the Corporation's guidelines on conflicts of interest, as well as a Third Party Code of Conduct, that govern the conduct of the Corporation's Directors, officers, employees, advisors, consultants and suppliers. The Board of Directors oversees compliance with the Code of Conduct through the Corporation's General Counsel and Secretary, who monitors compliance with the Code of Conduct. Directors and employees of the Corporation are required to confirm annually, and officers are required to confirm quarterly, their understanding of, and agreement to comply with, the Code of Conduct.

SUSTAINABILITY RISK

Sustainability risk is the potential loss associated with the inability of the Corporation and its employees to identify and manage environmental and social risks, which could adversely impact the Corporation's financial position and reputation.

Environmental risks relate to the adverse impacts that could result from climate change, waste, and resource consumption. Social risks relate to the adverse impacts on people that could result from improper practices related to human rights, labour conditions, health and safety, harassment, diversity, equity and inclusion, wages and benefits, and supplier management.

Anchored by a strong responsible management culture, the Corporation takes a balanced and sustainable approach to conducting business. The Corporation adheres to the clear guidelines set out in its Code of Conduct, which applies to the Corporation's directors, officers and employees, as well as in its Third-Party Code of Conduct, which applies to advisors, consultants and suppliers. The Corporation also maintains other supporting policies, procedures and controls, including a Corporate Sustainability Statement, an Environmental Policy, a Diversity, Equity and Inclusion Policy, and a Respectful Workplace Policy.

The Corporation provides training and capacity building for its employees to ensure sustainability risks are identified and mitigated consistent with its policies and procedures. The Board of Directors' risk management oversight includes ensuring that material sustainability risks are appropriately identified, managed, and monitored. Responsibility for sustainability considerations at the Board of Directors' level is assigned to the Governance and Sustainability Committee. The Corporation's Vice-President, General Counsel and Secretary has been appointed as the Corporation's Sustainability Lead. Sustainability risks and opportunities are reviewed by the Governance and Sustainability Committee through an annual update and progress report provided by the Corporation's Sustainability Lead, or more frequently as appropriate. The Sustainability Lead also reports annually to the Audit Committee on the implementation of the Code of Business Conduct and Ethics and of the Global Anti-Bribery Policy.

The Corporation monitors evolving regulatory requirements regarding sustainability in order to be in compliance with any future requirements.

OTHER RISKS

Tax Risk

Jurisdictions in which the Corporation and its subsidiaries operate periodically review and amend their tax laws and policies. Changes to tax rates may increase the tax expense of the Corporation and its subsidiaries, adversely impacting earnings.

Management actively monitors changes and developments to domestic and international tax laws and policies and their potential impacts.

The 15% Global Minimum Tax (GMT) regime has been in effect since 2024 and applies to countries in which the Corporation and its subsidiaries have significant operations. The Corporation and its subsidiaries will file GMT returns for the first time in 2026, in respect of the 2024 tax year. There is a risk that future legislative changes, administrative guidance or interpretative differences between countries with respect to the GMT may result in unanticipated tax liabilities, compliance costs or operational challenges at the Corporation and its subsidiaries.

Macroeconomic Risk

Global and macroeconomic conditions remain in a state of heightened volatility and many factors contribute to economic uncertainty. These include geopolitical risk and tension, armed conflicts in various parts of the world, the impact of trade relations and ongoing trade tensions, and fiscal policy developments. These factors may result in elevated volatility of financial markets and influence inflation, interest rates and economic growth in the geographies in which the Corporation and its subsidiaries operate. The outlook for financial markets over the short and medium term remains uncertain and the Corporation and its subsidiaries actively monitor events and information globally. The diversified business portfolios of the Corporation's operating subsidiaries and its prudent approach to risk management help to mitigate risks presented by ongoing global economic uncertainty.

Emerging Risks

An emerging risk is a risk not well understood at the current time and for which the impacts on the Corporation, including on its strategy and financial results, are difficult to assess or are in the process of being assessed.

Monitoring emerging risks is an important component of risk management. Power Corporation actively monitors emerging risks through:

- Review and analysis at the boards and committees of its operating companies around the world where local executives describe the emerging risks in their respective environments.
- The Corporation's executive officers act as the Corporation's risk management committee. They meet regularly to identify, analyze and review the Corporation's risks and to implement strategies to mitigate these risks.

Financial Instruments and Other Instruments

FAIR VALUE MEASUREMENT

Fair value represents the amount that would be exchanged in an arm's-length transaction between willing parties and is best evidenced by a quoted market price, if one exists. Fair values represent management's estimates and are generally calculated using market information and at a specific point in time and may not reflect future fair values. The calculations are subjective in nature, involve uncertainties and matters of significant judgment.

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

- Level 1 inputs utilize observable, unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access.
- Level 2 inputs utilize other-than-quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs 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 Corporation and its subsidiaries maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement falls has been determined based on the lowest level input that is significant to the fair value measurement. The Corporation and its subsidiaries' assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the asset or liability.

REVIEW OF FINANCIAL PERFORMANCE

The following table presents the carrying amounts and fair value of the Corporation and its subsidiaries' assets and liabilities recorded or disclosed at fair value. The table distinguishes between assets and liabilities recorded at fair value on a recurring basis and those for which fair value is disclosed. The table excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value. Items excluded are: cash and cash equivalents, dividends, accounts and interest receivable, securities borrowed, funds held on behalf of clients, certain other financial assets, accounts payable, dividends and interest payable, securities loaned and certain other financial liabilities.

At December 31	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
Assets				
Assets recorded at fair value				
Bonds				
FVPL	161,232	161,232	153,266	153,266
FVOCI	13,040	13,040	13,758	13,758
Mortgage and other loans				
FVPL	32,489	32,489	33,932	33,932
FVOCI	269	269	461	461
Shares				
FVPL	21,301	21,301	18,649	18,649
FVOCI	1,043	1,043	923	923
Investment in jointly controlled corporations and associates ^[1]	1,452	1,452	950	950
Investment properties	8,493	8,493	8,350	8,350
Derivative instruments	2,290	2,290	2,637	2,637
Trading account assets	3,995	3,995	3,701	3,701
Other assets	849	849	395	395
	246,453	246,453	237,022	237,022
Assets disclosed at fair value				
Bonds				
Amortized cost	595	596	376	377
Mortgage and other loans				
Amortized cost	11,287	10,964	10,272	9,685
	11,882	11,560	10,648	10,062
Total	258,335	258,013	247,670	247,084
Liabilities				
Liabilities recorded at fair value				
Investment contract liabilities	89,042	89,042	90,157	90,157
Derivative instruments	2,438	2,438	2,180	2,180
Collateralized loan obligation liabilities	3,904	3,904	3,791	3,791
Limited-life and redeemable fund units	4,128	4,128	2,928	2,928
Lifeco's other debt instruments	51	51	54	54
Consolidated investment funds' other debt instruments	86	86	43	43
Other liabilities	649	649	240	240
	100,298	100,298	99,393	99,393
Liabilities disclosed at fair value				
Obligations to securitization entities	4,815	4,916	5,025	5,098
Power Corporation's debentures and other debt instruments	647	682	647	703
Non-recourse debentures and other debt instruments of:				
Power Financial, Lifeco and IGM	11,303	10,789	11,977	11,335
Consolidated investment funds and Other	4,060	4,006	3,835	3,820
Client funds payable	25,793	25,793	16,605	16,605
Other liabilities	514	514	424	424
	47,132	46,700	38,513	37,985
Total	147,430	146,998	137,906	137,378

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

See Note 29 to the Corporation's 2025 Consolidated Financial Statements for additional disclosure of the Corporation's fair value measurement at December 31, 2025.

DERIVATIVE FINANCIAL INSTRUMENTS

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

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

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

There were no major changes to the Corporation and its subsidiaries' policies and procedures with respect to the use of derivative instruments in the twelve-month period ended December 31, 2025. The following table provides a summary of the Corporation and its subsidiaries' derivatives portfolio:

December 31	2025			2024		
	Notional	Maximum credit risk	Total fair value	Notional	Maximum credit risk	Total fair value
Power Corporation	509	258	257	535	64	63
Power Financial	36	32	32	37	16	16
Lifeco	70,777	1,863	(549)	63,066	2,431	294
IGM	1,766	70	55	1,982	36	10
Other subsidiaries	3,192	67	57	2,723	90	74
	75,771	2,032	(405)	67,808	2,573	394
	76,280	2,290	(148)	68,343	2,637	457

During the twelve-month period ended December 31, 2025, there was an increase of \$7.9 billion in the notional amount of derivatives outstanding, primarily due to increases in volume of regular hedging activities by Lifeco. The Corporation and its subsidiaries' exposure to derivative counterparty risk (which represents the current fair value of instruments in a gain position) decreased to \$2,290 million at December 31, 2025 from \$2,637 million at

December 31, 2024. The decrease was primarily due to the euro and British pound strengthening against the U.S. dollar on cross-currency swaps that pay euros or British pounds and receive U.S. dollars.

See Note 28 to the Corporation's 2025 Consolidated Financial Statements for additional information. For more information on the types of derivative financial instruments used by Lifeco and IGM, refer to Lifeco's and IGM's respective annual MD&A.

Off-Balance Sheet Arrangements

GUARANTEES

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

LETTERS OF CREDIT

In the normal course of its reinsurance business, Lifeco provides letters of credit to other parties or beneficiaries. A beneficiary will typically hold a letter of credit as collateral to secure statutory credit for insurance and investment contract liabilities ceded to or amounts due from Lifeco. Lifeco may be required to seek collateral alternatives if it is unable to renew existing letters of credit on maturity. For more information, refer to Lifeco's annual MD&A.

Potentia and Power Sustainable Energy Infrastructure have issued letters of credit totalling \$297 million with one-year terms to support required lender reserves, performance guarantees for operating solar and wind assets, as well as commitments for projects under construction.

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

Contingent Liabilities

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

Commitments and Contractual Obligations

At December 31, 2025	Payments due by period					Total
	Demand	1 year or less	1-5 years	Over 5 years	Undefined ⁽¹⁾	
Power Corporation ⁽²⁾	–	10	8	663	109	790
Power Financial ⁽²⁾	–	13	8	264	–	285
Lifeco	–	8,682	3,722	4,959	–	17,363
IGM	4,299	1,340	4,153	1,974	–	11,766
Alternative asset investment platforms and consolidation entries	21,494	1,473	1,543	2,376	504	27,390
Total	25,793	11,518	9,434	10,236	613	57,594
Client funds payable ⁽³⁾	25,793	–	–	–	–	25,793
Debentures and other debt instruments ⁽⁴⁾	–	2,394	4,541	9,356	–	16,291
Obligations to securitization entities	–	1,279	3,532	4	–	4,815
Lease obligations ⁽⁵⁾	–	131	436	806	–	1,373
Purchase obligations ⁽⁶⁾	–	932	657	13	–	1,602
Pension contributions ⁽⁷⁾	–	313	–	–	–	313
Contractual commitments ⁽¹⁾⁽⁸⁾	–	6,469	268	57	613	7,407
Total	25,793	11,518	9,434	10,236	613	57,594

[1] Includes outstanding commitments from the Corporation and the alternative asset investment platforms to make future capital contributions to investment funds; the exact amount and timing of each capital contribution cannot be determined. Excludes commitments to controlled and consolidated funds.

[2] Includes debentures of the Corporation of \$650 million and Power Financial of \$250 million.

[3] Client funds payable due on demand are primarily offset by other subsidiaries' funds held on behalf of clients.

[4] Refer to Note 15 and Note 16 to the Corporation's 2025 Consolidated Financial Statements for further information.

[5] Refer to Note 17 to the Corporation's 2025 Consolidated Financial Statements for further information.

[6] Purchase obligations are commitments of Lifeco to acquire goods and services, primarily related to information services, as well as purchase contracts related to projects under construction at PSEIP.

[7] Pension contributions include expected contributions to defined benefit and defined contribution pension plans as well as other post-employment benefit plans and are subject to change, as contribution decisions are affected by many factors including market performance, regulatory requirements and management's ability to change funding policy. Funding estimates beyond one year are excluded due to variability in the assumptions required to project the timing of future contributions. Refer to Note 27 to the Corporation's 2025 Consolidated Financial Statements for further information.

[8] Includes \$6,794 million of commitments by Lifeco, net of eliminations in controlled and consolidated investment funds. These contractual commitments are essentially commitments of investment transactions made in the normal course of operations, in accordance with Lifeco's policies and guidelines, which are to be disbursed upon fulfillment of certain contract conditions.

Summary of Critical Accounting Estimates and Judgments

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

Additional details regarding these significant estimates and judgments can be found in Note 2 to the Corporation's 2025 Consolidated Financial Statements.

CONSOLIDATION

Management of the Corporation consolidates all subsidiaries and entities in which it has determined that the Corporation has control. Control is evaluated according to the ability of the Corporation to direct the relevant activities of the subsidiaries, including investment funds or other structured entities, in order to derive variable returns. Management of the Corporation and of each of its subsidiaries exercise judgment in determining whether control exists. Judgment is exercised in evaluating the variable returns and in determining the extent to which the Corporation or its subsidiaries have the ability to exercise their power to affect variable returns.

Management of the Corporation exercises judgment in determining whether the Corporation is a principal or an agent when the Corporation or its subsidiaries act as a fund manager and also invest in the fund. The Corporation determines that it is a principal when it has sufficient capital invested and exposure to variability of returns generated as a result of the decisions of the Corporation or its subsidiaries as a fund manager. Judgment is applied in determining the sufficiency of the variability of returns and overall aggregate economic interest. In making these judgments, the Corporation considers the rights held by other investors, including their ability to remove the fund manager.

JOINTLY CONTROLLED CORPORATIONS AND ASSOCIATES

Jointly controlled corporations are entities in which unanimous consent is required for decisions relating to relevant activities. Associates are entities in which the Corporation exercises significant influence over the entity's operating and financing policies, without having control or joint control. Investments in jointly controlled corporations and associates are accounted for using the equity method. Management of the Corporation and of each of its subsidiaries exercise judgment in determining whether joint control or significant influence exists.

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

FAIR VALUE MEASUREMENT

A financial asset is measured at fair value on initial recognition and is classified and subsequently measured as FVPL, FVOCI, or amortized cost based upon the Corporation's or its subsidiaries' business models for managing these assets and the contractual cash flow characteristics of these assets.

The Corporation and its subsidiaries maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following is a description of the methodologies used to value instruments carried at fair value.

Bonds at FVPL and FVOCI

Fair values for bonds measured as FVPL or FVOCI are determined with reference to quoted market bid prices primarily provided by third-party independent pricing sources. Where prices are not quoted in an active market, fair values are determined by valuation models. The Corporation and its subsidiaries obtain quoted prices in active markets, when available, for identical assets at the balance sheet date to measure bonds at fair value in its FVPL and FVOCI portfolios.

The Corporation and its subsidiaries estimate the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Mortgage and Other Loans at FVPL and FVOCI

There are no market-observable prices for mortgage and other loans; therefore, fair values for mortgage and other loans are determined by discounting expected future cash flows using current market rates for similar instruments. Valuation inputs typically include benchmark yields and risk-adjusted spreads based on current lending activities and market activity.

Equity-release Mortgages at FVPL

There are no market-observable prices for equity-release mortgages; Lifeco uses an internal valuation model for discounting expected future cash flows and includes consideration of the embedded no-negative-equity guarantee. Inputs to the model include market-observable inputs such as benchmark yields and risk-adjusted spreads. Non-market-observable inputs include property growth and volatility rates, expected rates of voluntary redemptions, death, moving to long-term care and interest cessation assumptions and the value of the no-negative-equity guarantee.

Shares at FVPL and FVOCI

Fair values of publicly traded shares are generally determined by the last bid price for the security from the exchange where it is principally traded. Fair values of shares for which there is no active market are typically based upon alternative valuation techniques such as discounted cash flow analysis, review of price movement relative to the market and utilization of information provided by the underlying investment manager. The Corporation and its subsidiaries obtain quoted prices in active markets, when available, for identical assets at the balance sheet date to measure shares at fair value.

Investment Properties

Fair values of investment properties are determined using independent qualified appraisal services and include adjustments by management of its subsidiaries for material changes in property cash flows, capital expenditures or general market conditions in the interim period between appraisals. The determination of the fair value of investment properties requires the use of estimates including 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 conditions. Investment properties under construction are valued at fair value if such values can be reliably determined; otherwise, they are recorded at cost.

EXPECTED CREDIT LOSSES

Expected credit loss (ECL) allowances are recognized on all financial assets, except for financial assets classified or designated as FVPL and equity instruments designated as FVOCI.

The ECL allowance is based on a probability-weighted estimate of credit losses expected as a result of defaults over the relevant time period as prescribed under the ECL model, which is a three-stage impairment approach.

Performing financial assets that have not experienced a significant increase in credit risk since initial recognition or have low credit risk are categorized into stage 1. A 12-month ECL allowance is calculated for stage 1 financial assets.

Performing financial assets that have experienced a significant increase in credit risk since initial recognition are categorized into stage 2. A lifetime ECL allowance is calculated for stage 2 financial assets.

Impaired financial assets are categorized into stage 3 and require a lifetime ECL allowance.

The Corporation and its subsidiaries monitor all financial assets that are subject to impairment for significant increases in credit risk. In making this assessment, both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, is considered.

GOODWILL AND INDEFINITE LIFE INTANGIBLE ASSETS IMPAIRMENT TESTING

Goodwill and indefinite life intangible assets, including those resulting from an acquisition during the year, are tested for impairment annually or more frequently if events indicate that impairment may have occurred. Indefinite life intangible assets that were previously impaired are reviewed at each reporting date for evidence of reversal.

Goodwill and indefinite life intangible assets have been allocated to cash generating units or to groups of cash generating units (CGUs), representing the lowest level that the assets are monitored for internal reporting purposes. Goodwill and indefinite life intangible assets are tested for impairment by comparing the carrying value of the CGUs to the recoverable amount of the CGUs to which the goodwill and indefinite life intangible assets have been allocated.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal or value in use, which is calculated using the present value of the estimated future cash flows expected to be generated.

INSURANCE, REINSURANCE HELD AND INVESTMENT CONTRACT LIABILITIES

In the computation of insurance contract liabilities, Lifeco has made valuation assumptions regarding rates of mortality/morbidity, investment returns, levels of operating expenses, rates of policy termination and rates of utilization of elective policy options or provisions. The valuation assumptions use best estimates of future experience together with a risk adjustment for non-financial risk. This risk adjustment for non-financial risk represents the compensation that Lifeco requires for bearing uncertainty in the amount and timing of insurance contract cash flows due to non-financial risk. Risk adjustments for non-financial risk are reviewed periodically for continued appropriateness.

The estimates of the present value of future cash flows are measured by Lifeco for reinsurance held using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer.

Investment contract liabilities are measured at fair value determined using discount rates derived from a reference portfolio or stochastic modelling at the end of the reporting period. Lifeco's main valuation techniques incorporate all factors that market participants would consider and make maximum use of observable market data.

The methods for arriving at these valuation assumptions are outlined in Lifeco's annual MD&A, including Lifeco's assumptions and sensitivity disclosures.

PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

The Corporation and its subsidiaries maintain funded defined benefit pension plans for eligible employees and advisors, unfunded supplementary employee retirement plans (SERP) for eligible employees, and unfunded post-employment health, dental and life insurance benefits to eligible employees, advisors and their dependants. The Corporation and its subsidiaries also maintain defined contribution pension plans for eligible employees and advisors.

The defined benefit pension plans provide pensions based on length of service and final average earnings. Expenses for defined benefit plans are actuarially determined using the projected unit credit method prorated on service, based upon management of the Corporation and of its subsidiaries' assumptions about discount rates, compensation increases, retirement ages of employees, mortality and expected health care costs. The Corporation and its subsidiaries' accrued benefit asset (liability) in respect to defined benefit plans is calculated separately for each plan by discounting the amount of the benefit that employees have earned in return for their service in current and prior periods and deducting the fair value of any plan assets.

- The Corporation and its subsidiaries determine the net interest component of the pension expense for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net accrued benefit asset (liability), where the discount rate is determined by reference to market yields on high-quality corporate bonds.
- If the plan benefits are changed, or a plan is curtailed, any past service costs or curtailment gains or losses are recognized immediately in net earnings.
- Net interest costs, administration expenses, current service costs, past service costs, plan amendments and curtailment and settlement gains or losses are recognized in operating and administrative expenses in the statements of earnings.
- Remeasurements represent actuarial gains and losses, the actual return on plan assets greater (less) than interest income, and increases and decreases in the asset ceiling. Remeasurements are recognized immediately through other comprehensive income and are not subsequently reclassified to net earnings.
- The accrued benefit asset (liability) represents the plan surplus (deficit) and is included in other assets (other liabilities).
- Contributions to the defined contribution plans are expensed as incurred.

INCOME TAXES

Current Income Tax

Current income tax is based on taxable income for the year. Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the rates that have been enacted or substantively enacted at the balance sheet date in each respective jurisdiction. Current tax assets and current tax liabilities are offset, if a legally enforceable right exists to offset the recognized amounts and the entity intends either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

A provision for tax treatment uncertainties which meet the probable threshold for recognition is measured using either the most likely amount or the expected value, depending upon which method provides the better prediction of the resolution of the uncertainty. The provision for tax uncertainties will be classified as current or deferred based on how a disallowance of the underlying uncertain tax treatment would impact the tax provision accrual as of the balance sheet date.

Deferred Income Tax

Deferred income tax is the tax expected to be payable or recoverable on differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income and on unused tax attributes, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and unused tax attributes can be utilized.

Recognition of deferred tax assets is based on the fact that it is probable that the entity will have taxable profits and/or tax planning opportunities available to allow the deferred tax asset to be utilized. Changes in circumstances in future periods may adversely impact the assessment of the recoverability. The uncertainty of the recoverability is taken into account in establishing the deferred tax assets. The Corporation and its subsidiaries' financial planning process provides a basis for the measurement of deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to net current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, jointly controlled corporations and associates, except where the group controls the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The Corporation applied the mandatory exception in IAS 12, *Income Taxes* whereby it is not recognizing and disclosing information about deferred tax assets and liabilities related to the GMT.

Changes in Accounting Policies

The Corporation adopted the amendments to IFRS for IAS 21, *The Effects of Changes in Foreign Exchange Rates*, effective January 1, 2025. The adoption of these amendments did not have a material impact on the Corporation's financial statements.

Future Accounting Changes

The Corporation and its subsidiaries actively monitor changes in IFRS, both proposed and released, by the IASB and analyze the effect that changes in the standards may have on the consolidated financial statements when they become effective. See Note 2 to the 2025 Consolidated Financial Statements for additional information:

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 statements of earnings.</p> <p>IFRS 18 will require corporations to:</p> <ul style="list-style-type: none"> ■ Provide defined subtotals in the statements of earnings; ■ Disclose information for any management-defined performance measures related to the statements 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 Corporation 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. The Corporation does not anticipate an impact on its financial statements as a result of these amendments, except as indicated below:</p> <ul style="list-style-type: none"> ■ The Corporation will apply the election permitted by the amendments to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be derecognized before the settlement date if specified criteria are met. The Corporation will apply this election to all settlements made through electronic payment systems meeting the criteria, effective January 1, 2026. ■ For cash settlement of financial liabilities not qualified for the election, the Corporation will derecognize the associated liabilities on the settlement date. The Corporation expects the adoption of these amendments will not have a material impact on the financial statements. <p>These amendments will be applied retrospectively with no restatement to comparative balances.</p>

Transactions with Related Parties

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

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

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

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

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

On March 31, 2025, GBL Capital acquired a minority interest in SHMI. This transaction was at market terms and conditions and was reviewed and approved by a committee of independent directors appointed by GBL's board of directors. Refer to the section "2025 Significant Developments and Transactions".

In the second quarter of 2025, wind projects which had been developed by Potentia were sold to PSEIP in exchange for consideration in cash. Refer to the section "Sagard and Power Sustainable".

On September 3, 2025, the TSX approved an amendment that permitted Lifeco to purchase its shares from Power Financial and certain of Power Financial's wholly owned subsidiaries in connection with its 2025 NCIB, in order for Power Financial to maintain its approximate proportionate percentage ownership in Lifeco. During 2025, Lifeco repurchased and subsequently cancelled 12.8 million common shares held by Power Financial under the 2025 NCIB for proceeds of \$768 million. Commencing on January 6, 2026, Lifeco is permitted to repurchase its shares from Power Financial under its renewed NCIB. Refer to the section "2025 Significant Developments and Transactions" for additional information.

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

Disclosure Controls and Procedures

Based on their evaluations at December 31, 2025, the Chief Executive Officer and the Chief Financial Officer have concluded that the Corporation's disclosure controls and procedures were effective at December 31, 2025.

Internal Control over Financial Reporting

The Corporation's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and that the preparation of financial statements for external purposes is in accordance with IFRS, as issued by the IASB. The Corporation's management, under the supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining effective internal control over financial reporting. All internal control systems have inherent limitations and may become ineffective because of changes in conditions. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

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

The Corporation's management, under the supervision of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the Corporation's internal control over financial reporting at December 31, 2025, based on the Internal Control—Integrated Framework (COSO 2013 Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission. Based on such evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Corporation's internal control over financial reporting was effective at December 31, 2025.

There have been no changes in the Corporation's internal control over financial reporting during the three-month period ended December 31, 2025 which have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Power Financial Corporation

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

At December 31, 2025	Lifeco	IGM	Corporate and other ⁽¹⁾	Effect of consolidation	Total Power Financial	Total Power Corporation
Total assets	862,828	22,402	56,407	(26,127)	915,510	925,735
Total liabilities	829,825	13,364	29,031	(545)	871,675	880,687

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

For the twelve-month period ended December 31, 2025	Power Financial	Power Corporation
Cash flows from operations	4,773	4,780

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

For the twelve-month period ended December 31, 2025	Net earnings of Power Financial	Net earnings attributable to shareholders of Power Financial
Earnings coverage ratio (preferred shares (and debt)) ⁽¹⁾	6.7	4.9
Earnings coverage ratio (debt) ⁽²⁾	11.2	8.1

[1] The earnings coverage ratio (preferred shares (and debt)) is calculated based on net earnings of Power Financial before financing charges and income taxes for the twelve months ended December 31, 2025, divided by the aggregate dividend and financing charge requirements for this period. Power Financial's annualized dividend requirements on all of its preferred shares, including those of subsidiaries, have been adjusted to a pre-tax equivalent using an effective income tax rate of 16.4% for the twelve months ended December 31, 2025.

[2] The earnings coverage ratio (debt) is calculated based on net earnings of Power Financial before financing charges and income taxes for the twelve months ended December 31, 2025, divided by the aggregate financing charge requirements for this period.

OTHER SUPPLEMENTAL INFORMATION OF POWER FINANCIAL

First Preferred Shares Issued and Outstanding

December 31	2025		2024	
	Number of shares	Share capital	Number of shares	Share capital
		\$		\$
First Preferred Shares (perpetual)				
Series A ⁽ⁱ⁾	4,000,000	100	4,000,000	100
Series D ⁽ⁱⁱ⁾	6,000,000	150	6,000,000	150
Series E ⁽ⁱⁱⁱ⁾	8,000,000	200	8,000,000	200
Series F ^(iv)	6,000,000	150	6,000,000	150
Series H ^(v)	6,000,000	150	6,000,000	150
Series K ^(vi)	10,000,000	250	10,000,000	250
Series L ^(vii)	8,000,000	200	8,000,000	200
Series O ^(viii)	6,000,000	150	6,000,000	150
Series P ^(ix)	9,657,516	241	9,657,516	241
Series Q ^(x)	1,542,484	39	1,542,484	39
Series R ^(xi)	10,000,000	250	10,000,000	250
Series S ^(xii)	12,000,000	300	12,000,000	300
Series T ^(xiii)	8,000,000	200	8,000,000	200
Series V ^(xiv)	10,000,000	250	10,000,000	250
Series 23 ^(xv)	8,000,000	200	8,000,000	200
		2,830		2,830

First Preferred Shares

- [i] The Series A First Preferred Shares are entitled to a quarterly cumulative dividend, at a floating rate equal to one quarter of 70% of the average prime rate quoted by two major Canadian chartered banks and are redeemable, at Power Financial's option, at \$25.00 per share, together with all declared and unpaid dividends to the date fixed for redemption.
- [ii] The following First Preferred Shares series are entitled to fixed non-cumulative preferential cash dividends payable quarterly. Power Financial may redeem for cash the First Preferred Shares in whole or in part, at Power Financial's option, with all declared and unpaid dividends to, but excluding, the date of redemption. The dividends and redemption terms are as follows:

First Preferred Shares	Cash dividends payable quarterly	Earliest issuer redemption date	Redemption price	
	(\$/share)		(\$/share)	
Non-cumulative, fixed rate				
Series D,	5.50%	0.343750	Currently redeemable	25.00
Series E,	5.25%	0.328125	Currently redeemable	25.00
Series F,	5.90%	0.368750	Currently redeemable	25.00
Series H,	5.75%	0.359375	Currently redeemable	25.00
Series K,	4.95%	0.309375	Currently redeemable	25.00
Series L,	5.10%	0.318750	Currently redeemable	25.00
Series O,	5.80%	0.362500	Currently redeemable	25.00
Series R,	5.50%	0.343750	Currently redeemable	25.00
Series S,	4.80%	0.300000	Currently redeemable	25.00
Series V,	5.15%	0.321875	Currently redeemable	25.25
Series 23,	4.50%	0.281250	January 31, 2027	26.00
Non-cumulative, 5-year rate reset^[1]				
Series P,	1.998% ^[2]	0.124875	January 31, 2026	25.00
Series T,	5.595%	0.349688	January 31, 2029	25.00
Non-cumulative, variable rate				
Series Q,	3-month Government of Canada Treasury Bill + 1.60% ^[2]	Variable	Currently redeemable	25.50

[1] The dividend rate will reset on the earliest issuer redemption date and every fifth year thereafter at a rate equal to the 5-year Government of Canada bond yield plus a reset spread (1.60% for Series P and 2.37% for Series T). The holders have the option to convert their shares into non-cumulative floating rate First Preferred Shares subject to certain conditions on the earliest redemption date and every fifth year thereafter at a rate equal to the 3-month Government of Canada Treasury Bill rate plus the reset spread indicated.

[2] Pursuant to the terms of the Non-Cumulative 5-Year Rate Reset First Preferred Shares, Series P (Series P shares) and the Non-Cumulative Floating Rate First Preferred Shares, Series Q (Series Q shares), on February 2, 2026, subsequent to year-end, all of the outstanding 1,542,484 Series Q shares were converted, on a one-for-one basis, into Series P shares. The dividend rate for the Series P shares was reset to an annual fixed rate of 4.591% or \$0.286938 per share cash dividend payable quarterly.

Non-IFRS Financial Measures

DEFINITIONS

This review of financial performance presents and discusses financial measures which are not in accordance with IFRS. Management uses these financial measures in its presentation and analysis of the financial performance of Power Corporation, and believes that they provide additional meaningful information to readers in their analysis of the results of the Corporation. See also "Statement Regarding Non-IFRS Financial Measures and Other Measures". The non-IFRS financial measures and non-IFRS ratios used in this review of financial performance are defined as follows:

Non-IFRS financial measure	Definition	Purpose
Adjusted net earnings from continuing operations ^[1]	Net earnings from continuing operations ^[1] excluding Adjustments.	Assists in the comparison of the current period's underlying operating performance to that of previous periods as it reflects management's view of the operating performance of the Corporation and its subsidiaries, excluding items that are not considered to be part of the underlying business results. As a holding company, management reviews and assesses the performance of each operating company's contribution to net earnings and adjusted net earnings.
Adjustments	<p>After-tax impact of any item that in management's judgment, including those identified by management of Lifeco and IGM, would make the period-over-period comparison of results from operations less meaningful. Adjustments include the Corporation's share of Lifeco's impact of:</p> <ul style="list-style-type: none"> ▪ market-related impacts, where actual market returns in the current period are different than longer-term expected returns; ▪ assumption changes and management actions that impact the measurement of assets and liabilities; ▪ direct equity and interest rate impacts on the measurement of surplus assets and liabilities; and ▪ amortization of acquisition-related finite life intangible assets, <p>as well as items that management believes are not indicative of the underlying business results which include those identified by management of a subsidiary or a jointly controlled corporation, including:</p> <ul style="list-style-type: none"> ▪ business transformation and other impacts (including restructuring or reorganization and integration costs, acquisition and divestiture costs); ▪ material legal settlements; ▪ material impairment charges; ▪ material impacts of the remeasurement of deferred tax assets and liabilities including those as a result of income tax rate changes, and other tax impairments; ▪ certain non-recurring material items, net gains, losses or costs related to the disposition or acquisition of a business, including those related to an investment in an associate or jointly controlled corporation; ▪ impacts related to remeasurements due to market changes that result in an accounting mismatch including the remeasurement of derivatives where the hedged item is not also measured at fair value and hedge accounting is not applied, and the revaluation of redemption liabilities, share warrants and conversion options on convertible and exchangeable debt obligations; ▪ the impact of the revaluation of non-controlling interests liabilities related to PSEIP which result from changes in fair value of assets held within the fund, and the share of earnings (losses) from the consolidated activities of PSEIP attributable to third-party investors; and ▪ other items that, when removed, assist in explaining underlying operating performance. 	Identifies items that are not considered part of operating performance by management, including items identified by management of Lifeco and IGM.

[1] Attributable to participating shareholders of Power Corporation.

Non-IFRS financial measure	Definition	Purpose
Adjusted net asset value	<p>Adjusted net asset value represents the fair value of the participating shareholders' equity of Power Corporation. Adjusted net asset value is calculated as the fair value of the assets of the combined Power Corporation and Power Financial holding company less their net debt and preferred shares.</p> <p>The investments held in publicly traded entities (including Lifeco, IGM and GBL) are measured at their market value and investments in private entities and investment funds are measured at management's estimate of fair value.</p> <p>The definition of adjusted net asset value involves a number of assumptions, judgments and estimates that may prove to be inaccurate, and the adjusted net asset value per share is not a representation or guarantee of the value a participating shareholder will be able to realize.</p>	<p>Presents the fair value of the participating shareholders' equity of the holding company and is used to assist in assessing value.</p> <p>This measure may be used by investors and analysts in determining or comparing the fair value of investments held by the holding company or its overall fair value.</p>
<p>Consolidated assets under management and advisement, and</p> <p>Consolidated assets and assets under administration</p>	<p>Consolidated assets under management and advisement includes assets managed on behalf of clients which are beneficially owned by clients including:</p> <ul style="list-style-type: none"> ■ Internally and externally managed funds, including proprietary mutual funds, exchange-traded funds and institutional assets, where the Corporation's publicly traded operating companies and alternative asset investment platforms have oversight of the investment policies; and ■ The fair value of assets managed on behalf of the clients by asset managers controlled within the investment platforms, including assets managed through a separately managed account. <p>Services provided in respect of assets under management and advisement include the selection of investments, the provision of investment advice, discretionary portfolio management on behalf of clients and/or the provision of financial advice.</p> <p>Consolidated assets and assets under administration includes consolidated assets under management and advisement, assets under administration only, and other assets on the balance sheet. Assets under administration only includes assets where the Corporation's consolidated publicly traded operating companies and investment management services businesses only provide administration services for which they earn fees and other income. These assets are beneficially owned by the clients and the Corporation's operating subsidiaries do not direct the investing activities. Services provided relating to assets under administration only include record keeping, safekeeping, collecting investment income, settling of transactions or other administrative services.</p> <p>Other balance sheet assets include insurance contract assets, reinsurance contract assets, goodwill and intangible assets, other assets, as well as the portion of investments (including investments in jointly controlled corporations and associates) and investments on account of segregated fund policyholders not included within consolidated assets under management and advisement.</p>	<p>Consolidated assets under management and advisement and Consolidated assets and assets under administration provide an indicator of the size and volume of the Corporation's consolidated businesses, including the publicly traded operating companies and alternative asset investment platforms.</p> <p>Consolidated assets and assets under administration includes assets in which the Corporation's consolidated publicly traded operating companies and investment management services businesses only provide administration services, which are an important aspect of the overall business and should be considered when comparing volumes, size and trends.</p>
Fee-related earnings (of alternative asset investment platforms)	<p>Fee-related earnings is presented for Sagard and Power Sustainable and includes management fees and fee-related performance revenues earned across all asset classes, less investment platform expenses which include i) fee-related compensation including salary, bonus, and benefits, and ii) operating expenses. Fee-related performance revenues represents the realized portion of performance revenues from perpetual capital vehicles that are i) measured and expected to be received on a recurring basis, ii) not dependent on realization events from underlying investments, and iii) not subject to clawback. Fee-related earnings is presented on a gross pre-tax basis, including non-controlling interests.</p> <p>Fee-related earnings excludes i) share-based compensation expenses, ii) amortization of acquisition-related finite life intangible assets, iii) foreign exchange-related gains and losses, iv) net interest, and v) other items that in management's judgment are not indicative of underlying operating performance of the alternative asset investment platforms, which include restructuring costs, transaction and integration costs related to business acquisitions and certain non-recurring material items.</p>	<p>This measure is presented for the alternative asset investment platforms, Sagard and Power Sustainable, and is used to assess the profitability from their asset management activities. This financial measure provides insight as to whether recurring revenues from management fees and fee-related performance revenues, which are not based on future realization events, are sufficient to cover associated operating expenses.</p>

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

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

RECONCILIATIONS OF IFRS AND NON-IFRS FINANCIAL MEASURES

Adjusted Net Earnings

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

Twelve months ended December 31	2025	2024
Adjusted net earnings from continuing operations—Non-IFRS financial measure ^[1]	3,400	2,971
Share of Adjustments ^[2] , net of tax		
Lifeco	(517)	(149)
IGM	18	14
GBL	(225)	(44)
Sagard and Power Sustainable	(116)	(26)
Standalone businesses	12	26
	(828)	(179)
Net earnings from continuing operations—IFRS financial measure ^[1]	2,572	2,792
Net earnings (loss) from discontinued operations—Putnam	–	(49)
Net earnings—IFRS financial measure ^[1]	2,572	2,743

[1] Attributable to participating shareholders of Power Corporation.

[2] Refer to the section "Adjustments" for more details on Adjustments from Lifeco, IGM, GBL, Sagard and Power Sustainable and the Standalone businesses.

Adjustments (excluded from Adjusted net earnings)

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

Twelve months ended December 31	2025	2024
Lifeco^[1]		
Market experience relative to expectations (pre-tax)	(182)	195
Income tax (expense) benefit	34	(49)
Assumption changes and management actions (pre-tax)	(69)	(144)
Income tax (expense) benefit	9	42
Business transformation and other impacts (pre-tax) ^[2]	(242)	(97)
Income tax (expense) benefit	64	21
Amortization of acquisition-related finite life intangible assets (pre-tax)	(136)	(136)
Income tax (expense) benefit	34	35
Tax legislative changes and other tax impacts	15	10
	(473)	(123)
Effect of consolidation (pre-tax) ^[3]	(44)	(30)
Income tax (expense) benefit	–	4
	(517)	(149)
IGM^[1]		
Gain on partial sales of investment in associates (pre-tax)	28	–
Income tax (expense) benefit	(12)	–
Tax loss consolidation	–	3
Rockefeller debt refinancing (pre-tax)	–	(2)
Income tax (expense) benefit	–	–
Share of Lifeco adjustments (pre-tax)	(11)	(4)
Income tax (expense) benefit	–	–
	5	(3)
Effect of consolidation (pre-tax) ^[3]	15	–
Income tax (expense) benefit	(2)	17
	18	14
GBL		
Imerys impairment and other charges and currency translation reclassification (pre-tax and post-tax)	(155)	(44)
Loss on partial divestment of GBL Capital portfolio and Sienna Investment Managers (pre-tax and post-tax)	(92)	–
Affidea's gain on debt modification (pre-tax and post-tax)	22	–
	(225)	(44)
Sagard and Power Sustainable		
Remeasurement of deferred tax assets	–	16
Currency translation reclassification on Power Sustainable China (pre-tax)	–	54
Income tax (expense) benefit	–	–
Revaluation of NCI liabilities and other market-related impacts (pre-tax)	(128)	(80)
Income tax (expense) benefit	12	(2)
Restructuring charges (pre-tax)	–	(14)
Income tax (expense) benefit	–	–
	(116)	(26)
Standalone businesses		
Gain on disposal of Peak and affiliated business (pre-tax)	–	325
Income tax (expense) benefit	–	–
Lion impairment and other market-related impacts (pre-tax)	–	(130)
Income tax (expense) benefit	–	8
LMPG impairment and other market-related impacts (pre-tax)	–	(177)
Income tax (expense) benefit	–	–
LMPG remeasurement of deferred tax liabilities	12	–
	12	26
	(828)	(179)

[1] As reported by Lifeco and IGM.

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

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

Adjusted Net Asset Value

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

December 31	2025	2024
Participating shareholders' equity – IFRS financial measure		
Share capital – participating shares	9,159	9,236
Retained earnings	11,674	11,364
Reserves	2,249	2,330
	23,082	22,930
Fair value adjustments ^[1]		
Lifeco	24,910	13,184
IGM	4,807	2,698
GBL	(600)	(1,521)
Sagard and Power Sustainable	2,324	1,687
Standalone businesses	3	(4)
	31,444	16,044
Adjusted net asset value – Non-IFRS financial measure	54,526	38,974
Per share^[2]		
Participating shareholders' equity (book value)	36.31	35.56
Adjusted net asset value	85.77	60.44

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

[2] Attributable to participating shareholders.

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

December 31 [in billions of dollars]	2025	2024
Total consolidated assets under management and advisement	1,433	1,259
Assets under administration only	2,267	2,073
	3,700	3,332
Other assets on balance sheets	271	267
Total consolidated assets and assets under administration	3,971	3,599
<i>of which: total balance sheet assets</i>	926	851

Fee-Related Earnings (of alternative asset investment platforms)

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

Twelve months ended December 31	2025	2024
Net earnings attributable to participating shareholders of Power Corporation – IFRS financial measure	2,572	2,743
Excluding:		
Contribution to net earnings from Lifeco	(2,621)	(2,613)
Contribution to net earnings from IGM	(658)	(582)
Contribution to net earnings from GBL	263	(31)
Contribution to net earnings from Lifeco, IGM and GBL	(3,016)	(3,226)
Contribution to net earnings from the holding company	431	348
Contribution to net earnings from Alternative Asset Investment Platforms and Other	(13)	(135)
Excluding:		
Investing activities	(12)	23
Standalone businesses	2	38
Contribution to net earnings from Asset Management Activities	(23)	(74)
Adjustments:		
Sagard		
Non-controlling interests	(1)	19
Loss (earnings) from private wealth platform and other asset management activities	(1)	2
Net carried interest	(89)	(41)
Share-based compensation	8	7
Amortization of intangibles	12	5
Acquisition-related costs ^[1]	19	4
Change in fair value of NCI liabilities	17	2
Income taxes and other	(4)	(4)
Power Sustainable		
Non-controlling interests	(8)	(7)
Loss (earnings) from development and asset management activities provided by Potentia and Nautilus on behalf of PSEIP	15	11
Net carried interest	(6)	15
Share-based compensation	5	–
Acquisition-related costs	–	8
Restructuring charges	–	14
Other	–	(1)
	(33)	34
Fee-related earnings (loss) – Non-IFRS financial measure	(56)	(40)
<i>Sagard</i>	(25)	(1)
<i>Power Sustainable</i>	(31)	(39)

[1] Includes transaction costs and changes in fair value related to contingent consideration.

Other Measures

This review of financial performance also includes other measures, which include:

Term	Definition
Assets under management and administration	Operating asset management and investment management services businesses within the Power group, including IGM, alternative asset managers and Wealthsimple, present the total value of assets managed or administered which are beneficially owned by clients and are not recognized in the consolidated financial statements. The composition of the assets under management and administration is relative to the activities of the asset managers and are further defined as follows:
Assets under management and advisement (AUM&A) of IGM	AUM&A represents the consolidated AUM and AUA of IGM's core businesses IG Wealth Management and Mackenzie Investments. In IGM's Wealth Management segment, AUM is a component part of AUA. Assets under management are client assets where IGM provides investment management services, and include investment funds where IGM is the fund manager, investment advisory mandates to institutions, and other client accounts where IGM has discretionary portfolio management responsibilities. Assets under advisement represents savings and investment products held within the client accounts of IGM's Wealth Management segment's core business.
Assets under management and advisement including strategic investments (AUM&A including SI) of IGM	AUM&A including SI represents IGM's AUM&A including its proportionate share of the AUM&A of strategic investments, based on IGM's interest in the strategic investments. The strategic investments included are those whose activities are primarily in asset and wealth management, and include interests in ChinaAMC, Northleaf, Rockefeller and Wealthsimple. Rockefeller client assets include assets under management and advisement as well as assets held for investment purposes and only receiving administrative services.
Assets under management of alternative asset investment platforms	Assets under management of investment platforms include: <ul style="list-style-type: none"> ▪ Net asset value of the investment funds and co-investment vehicles managed, including unfunded commitments and permanent leverage; ▪ Gross asset value of investment funds managed within the real estate platform; and ▪ Fair value of assets managed on behalf of the Corporation and clients by asset managers controlled within the investment platforms, including assets managed through a separately managed account.
Assets under administration of Wealthsimple	Assets under administration includes the total value of assets held on behalf of clients and includes client assets in which investment management services are provided.
Book value per participating share	Represents Power Corporation's participating shareholders' equity divided by the number of participating shares outstanding at the end of the reporting period.
Capital commitments	Represents the total amount of capital that a limited partner investor has contractually agreed to contribute to an investment fund over the life of the fund. A commitment to an investment fund is a legally binding obligation and represents the maximum capital the fund manager can call from the investor over the investment period.
Carried interest	Carried interest is earned through a contractual arrangement between alternative asset managers and the funds managed in which the asset manager earns a fixed percentage of investment returns over a predetermined hurdle return.

Term	Definition
Fee-bearing capital	<p>Fee-bearing capital includes:</p> <ul style="list-style-type: none"> ■ Total capital commitments of venture capital, private equity, and certain private credit funds during the investment period; ■ Net invested capital of private credit funds, funds which have completed their investment period, separately managed accounts within the credit platforms and certain co-investment vehicles; ■ Net asset value of Power Sustainable Energy Infrastructure including direct investments in energy assets, and funds within the real estate platform; and ■ Invested capital or gross asset value of assets managed through separately managed accounts within the real estate platform.
Market capitalization	<p>Represents the aggregate market value of a company. Market capitalization is determined at a point in time and represents the number of outstanding shares multiplied by the closing share price.</p>
Net asset value reported by GBL	<p>On a quarterly basis, GBL reports its net asset value as it represents an important criterion used in assessing its performance. GBL's net asset value represents the fair value of its investment portfolio, its gross cash, the present value of its Concentrix note and its treasury shares, less its gross debt.</p> <ul style="list-style-type: none"> ■ GBL's investments held in listed entities and treasury shares are measured at their market value, the present value of the Concentrix note is calculated at the market rate taking into account Concentrix's credit quality, investments in private entities are measured using the recommendations of the International Private Equity and Venture Capital Valuation Guidelines, and recent investments are valued at their acquisition cost, which represents GBL management's best estimate. ■ GBL Capital's portfolio of investments is measured by adding all investments at fair value provided by the fund managers with GBL Capital's net cash, less its net debt. ■ Sienna Investment Managers' assets are valued at the fair value of the acquired management companies. <p>For more information on GBL's net asset value and valuation principles, refer to its website (www.gbl.com).</p>
Net asset value of investment funds	<p>Net asset value of investment funds represents the fair value of the investments held within the fund, net of any liabilities.</p>
Net carried interest	<p>Represents carried interest earned, net of direct employee costs which are usually recognized over the vesting period.</p>
Unfunded commitments	<p>Represents the capital that has been committed by limited partners, but not called by the fund. In some cases, unfunded commitments include distributions for funds currently in the investment period, which are recallable by the fund.</p>
Weighted average management fee rate	<p>Represents the weighted average management fee rate charged on the fee-bearing capital across all asset classes during the period.</p> <p>Management fees earned during the period are divided by the average fee-bearing capital of funds, co-investment vehicles and separately managed accounts during such period. Management fees include retroactive management fees earned during the period related to the timing of subsequent fundraising closes.</p>

Selected Annual Information

For the years ended December 31	2025	2024	2023
Total revenues ^[1]	50,466	45,255	46,428
Consolidated assets under management and advisement (in billions) ^[2]	1,433	1,259	1,097
Consolidated assets and assets under administration (in billions) ^[2]	3,971	3,599	2,946
Net earnings (attributable to participating shareholders)	2,572	2,743	2,195
per share—basic	4.01	4.23	3.32
per share—diluted	3.94	4.19	3.30
Net earnings from continuing operations (attributable to participating shareholders)	2,572	2,792	2,282
per share—basic	4.01	4.31	3.45
Adjusted net earnings from continuing operations (attributable to participating shareholders) ^[2]	3,400	2,971	2,671
per share—basic	5.31	4.58	4.04
Consolidated assets	925,735	851,359	749,478
Consolidated liabilities	880,687	807,373	708,213
Power Corporation's debentures and other debt instruments	647	647	647
Non-recourse debentures and other debt instruments of:			
Power Financial, Lifeco and IGM	11,354	12,031	11,608
Consolidated investment funds and Other	4,146	3,878	3,017
Shareholders' equity	24,432	23,880	22,143
Book value per participating share	36.31	35.56	32.49
Adjusted net asset value per share ^[2]	85.77	60.44	53.53
Number of participating shares outstanding (in millions)			
Participating Preferred Shares	54.9	54.9	54.9
Subordinate Voting Shares	580.9	589.9	597.4
Dividends per share (declared)			
Participating shares	2.4500	2.2500	2.1000
First preferred shares of Power Corporation ^[3]			
Series A	1.4000	1.4000	1.4000
Series B	1.3375	1.3375	1.3375
Series C	1.4500	1.4500	1.4500
Series D	1.2500	1.2500	1.2500
Series G	1.4000	1.4000	1.4000
Series H ^[4]	0.4529	—	—
First preferred shares of Power Financial			
Series A ^[5]	0.8584	1.1808	1.2145
Series D	1.3750	1.3750	1.3750
Series E	1.3125	1.3125	1.3125
Series F	1.4750	1.4750	1.4750
Series H	1.4375	1.4375	1.4375
Series K	1.2375	1.2375	1.2375
Series L	1.2750	1.2750	1.2750
Series O	1.4500	1.4500	1.4500
Series P ^[6]	0.4995	0.4995	0.4995
Series Q ^[7]	1.0792	1.5709	1.5750
Series R	1.3750	1.3750	1.3750
Series S	1.2000	1.2000	1.2000
Series T	1.3988	1.3988	1.0538
Series V	1.2875	1.2875	1.2875
Series 23	1.1250	1.1250	1.1250

[1] Total revenues includes net investment income and changes in fair value through profit or loss included in the net investment result on the consolidated statements of earnings.

[2] Consolidated assets under management and advisement, consolidated assets and assets under administration, adjusted net earnings, adjusted net earnings per share and adjusted net asset value per share are non-IFRS financial measures or non-IFRS ratios. In 2025, the Corporation enhanced the disclosure of the components of consolidated assets and assets under administration. The comparative periods have been restated to conform with the current presentation; the amounts presented for the period ended December 31, 2023 exclude assets under management of discontinued operations of \$162 billion. For a definition of these non-IFRS financial measures, refer to the section "Non-IFRS Financial Measures".

[3] The Corporation issued Series I First Preferred Shares on November 20, 2025. An initial dividend of \$0.5650 per share was declared on March 18, 2026.

[4] The Series H First Preferred Shares were issued by the Corporation on September 22, 2025. An initial dividend of \$0.45291 per share was declared on November 12, 2025.

[5] The Series A First Preferred Shares are entitled to a quarterly cumulative dividend at a floating rate equal to one quarter of 70% of the average prime rate quoted by two major Canadian chartered banks.

[6] On January 31, 2026, the Series P shares were subject to a dividend rate reset for the five-year period from and including January 31, 2026. The dividend rate was reset to 4.591% or \$0.286938 per share in cash dividends payable quarterly.

[7] The Series Q shares are entitled to an annual non-cumulative dividend, payable quarterly at a floating rate equal to the 3-month Government of Canada Treasury Bill rate plus 1.60%. On February 2, 2026, all of the outstanding Series Q shares were converted on a one-for-one basis into Series P shares.