

Investment Manager Research (IMR) Update – Franklin Templeton to Acquire Putnam Investments

Today, Great-West Lifeco Inc. (Lifeco) announced that Franklin Resources, Inc., a global investment management organization operating as Franklin Templeton with \$1.4 trillion of AUM, operating in 30+ countries and serving clients in over 155 countries has entered into an agreement with Lifeco on two fronts:

1. **To acquire Putnam Investments (Putnam)** with the transaction expected to close in the fourth quarter of 2023, subject to regulatory approvals and other customary conditions. Lifeco will hold a 4.9% interest in Franklin Templeton on a long-term basis and will retain its controlling interest in PanAgora, a leading quantitative asset manager.
2. **Establish a long-term strategic partnership between Lifeco, Power Corporation of Canada, and Franklin Templeton**, which furthers Lifeco's approach of building and extending partnerships with best-in-class asset managers to support our clients' retirement, group benefits, and personal wealth management needs.

The Investment Manager Research team's view

Putnam sub advises several equity-oriented funds across Canada Life's platforms including U.S., Global, International and Emerging Market Equity strategies. Franklin Templeton has communicated an execution plan designed to minimize disruption to the investment teams and client relationships, which is consistent with their previous acquisitions (the acquisition of Legg Mason/Brandywine). The IMR team will meet with Franklin Templeton and Putnam over the coming weeks to evaluate the acquisition details and any implications to our mandates post close of the deal.

There will be no immediate changes to the impacted Canada Life fund's investment strategies, investment policy statements, benchmarks, investment category, risk ratings, or fees to clients based on this announcement.