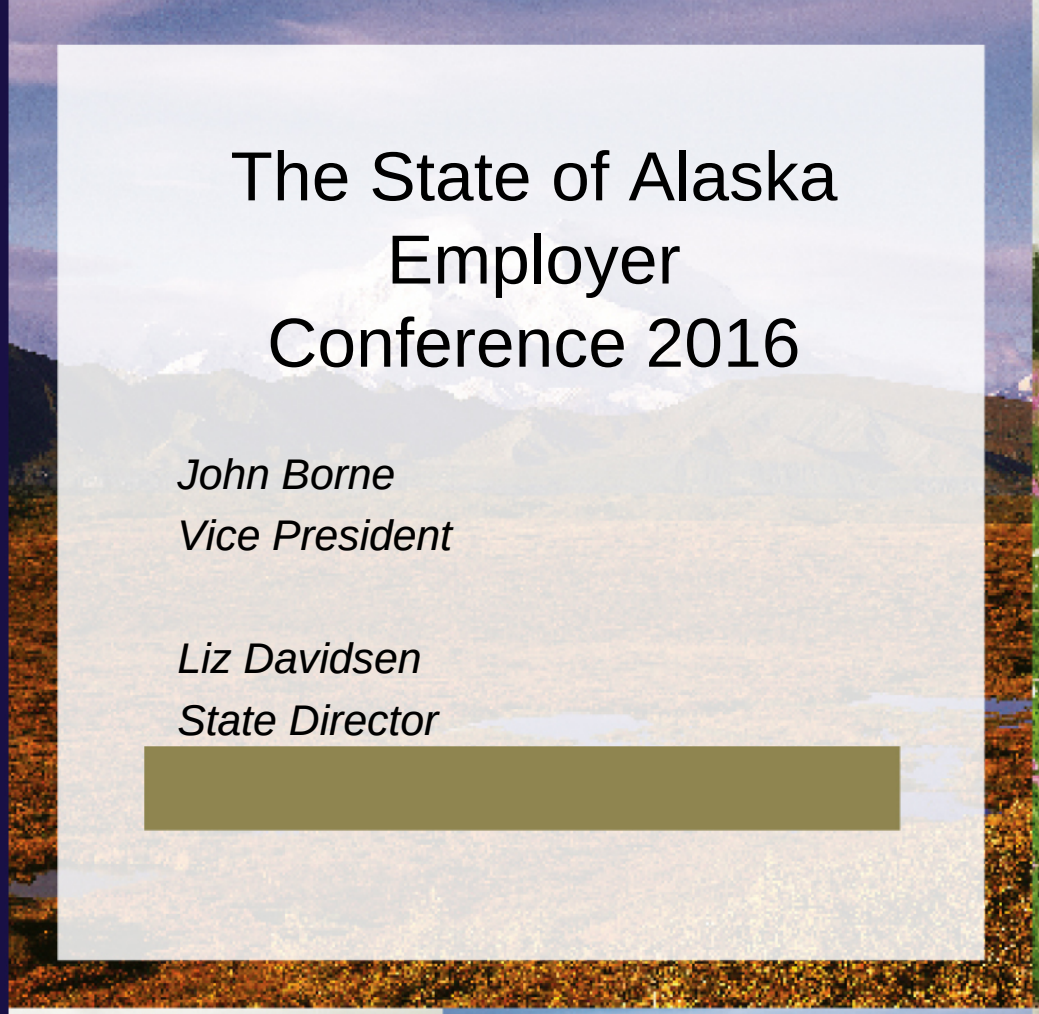
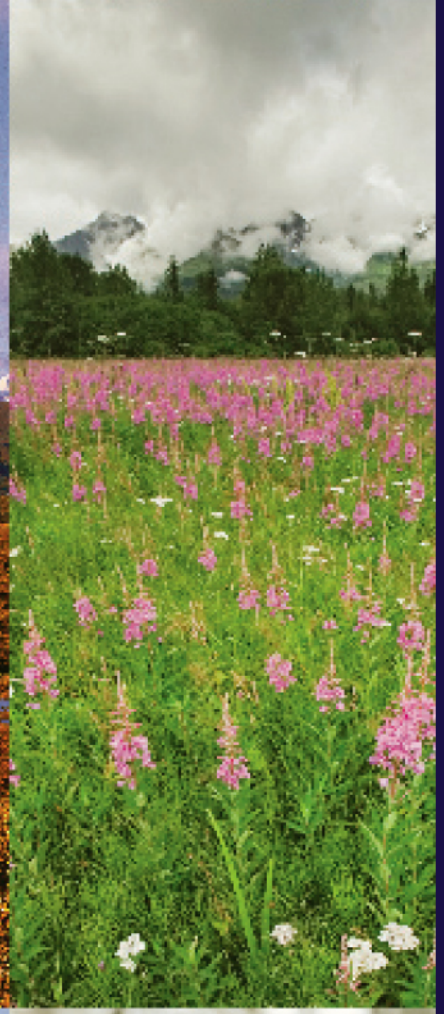
Retire . . . In the Spirit of Alaska

The State of Alaska Employer Conference 2016

John Borne
Vice President

Liz Davidsen
State Director





Agenda

Empower Retirement Overview

The Empower Retirement Difference

Participant Experience

Representatives of GWFS Equities, Inc. are not registered investment advisors and cannot offer financial, legal or tax advice.
Please consult with your financial planner, attorney and/or tax advisor as needed.

EMPOWER RETIREMENT™

The brand “Empower Retirement” reflects our spirit of innovation and conveys the importance we place on giving individuals control of their financial future.

Our mission: to make retirement part of people’s everyday life. We want to convince working Americans that retirement isn’t for “someday.” It’s something that is part of their life today. This is how we’re Thinking Further Ahead.

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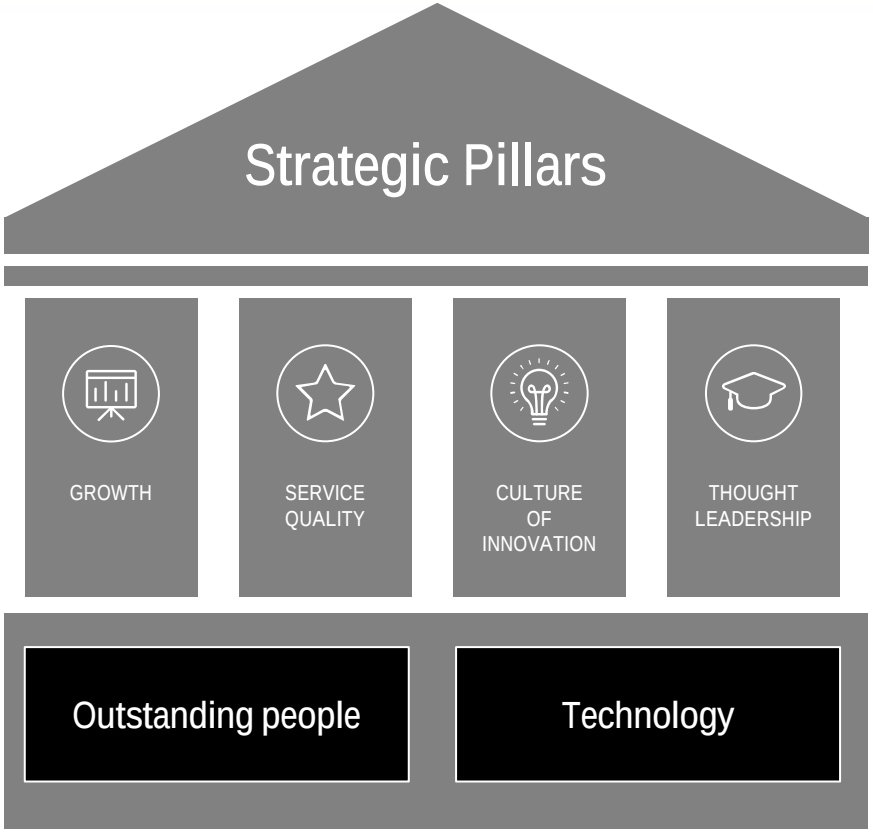
Focused vision and strategy

Our vision:

We envision a better retirement system. Plan sponsors and participants deserve something far beyond what traditional retirement plan providers offer. We are responding by bringing focus to a single goal: to help people replace — for life — the income they made while working.



Guiding principles

- Modern, proprietary recordkeeping system
- Experience centered on monthly income in retirement
- Personalized communication that drives action
- An experience designed around total retirement
- Sophisticated tools to measure results and to guide and support plan decisions

Public Market Leadership

- #1 in 457 Plan Assets[1]
- #1 in 457 Participants Served[1]
- 2.5 Million Government Plan Participants[2]
- $107.8 Billion Assets Under Administration[3]
- #1 State 457 Plan Provider, 24 States[4]
- 2 of America's 4 Largest Cities[5]
- 6 of 10 Largest Government 457(b) Plans[6]

1 LIMRA Not-For-Profit Market Update, 3/31/2016

2 As of 3/31/2016

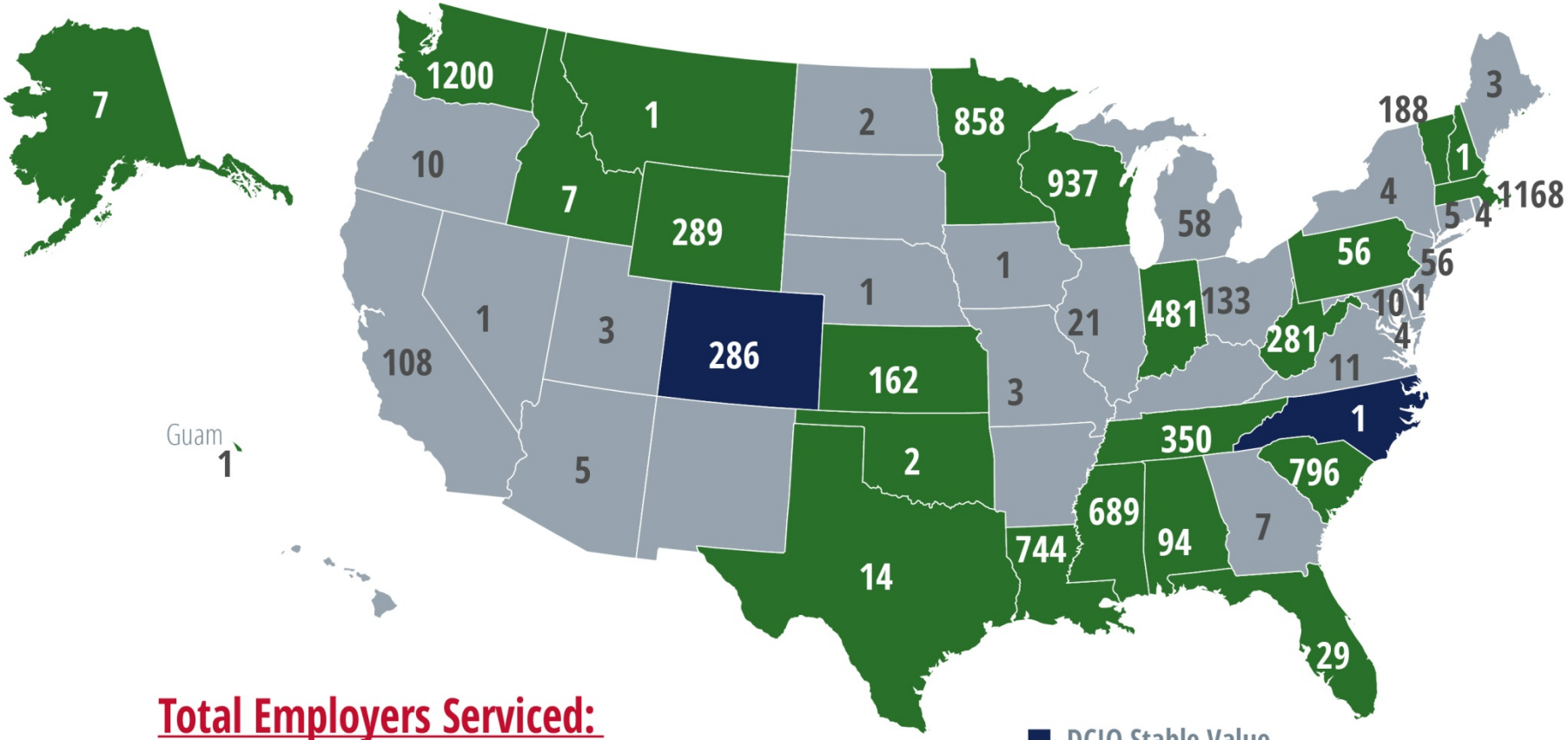
3 As of 3/31/2016 Information refers to the entire retirement business of Great-West Life & Annuity Insurance Company and its subsidiaries, including Great-West Life & Annuity Insurance Company of New York (GWL&A of NY). Of the total $460B, $8.1B represents AUA of GWL&A of NY. AUA does not reflect the financial stability or strength of a company. As of 3/31/2016, Great-West Life & Annuity Insurance Company's assets total $59B and liabilities of $57B. As of the same date, GWL&A of NY's assets total $1.8B and liabilities of $1.7B.

4 Public record by state as of 6/30/2016

5 2012 US Census, New York, Houston (Chicago not a client)

6 http://www.pionline.com/gallery/20120306/SLIDESHOW2/306009999/10 as of 3/6/12

Public market leadership



Total Employers Serviced:

9,224

Source: Internal data, active Empower advisors, as of 1/31/16.

Financial integrity

A+	A.M. Best Company, Inc. – Financial Strength	Superior Highest of 10 categories
AA	Fitch Ratings – Financial Strength	Very Strong Second highest of 10 categories
Aa3	Moody's Investors Service – Financial Strength	Excellent Second highest of nine categories
AA	Standard & Poor's Ratings Services – Financial Strength	Very Strong Second highest of nine categories

These ratings are for Great-West Life & Annuity Insurance Company and Great-West Life & Annuity Insurance Company of New York.
These ratings are current and subject to change. They do not pertain to the investment performance of the underlying funds.

Empower earns top ratings for client satisfaction

PLANSPONSOR®

2015 Defined Contribution Survey

TOTAL 2015 BEST IN CLASS AWARDS

Participant Service Awards

Participant call centers	✓	✓	✓	✓
Participant website functionality			✓	✓
Online tools & services				✓
Participant statements			✓	✓
Overall education program			✓	✓
Communication materials			✓	✓
Enrollment assistance			✓	✓
Retiree services			✓	✓
Onsite meetings			✓	✓
Range of investment options	✓	✓	✓	✓
Loan / withdrawal processing				✓
Beneficiary administration	✓	✓	✓	✓
Participant fee disclosure		✓	✓	✓

Sponsor Service Awards

Sponsor website and tools					✓	✓
Plan analytics / reporting / benchmarking					✓	✓
Form 5500 processing	✓	✓	✓	✓	✓	✓
Compliance support / testing		✓	✓	✓	✓	✓
Legislative / regulatory updates						✓
Account / service team industry knowledge			✓	✓	✓	✓
Account / service team responsiveness		✓	✓	✓	✓	✓
Plan design flexibility					✓	✓
"Cost-to-Value" of plan fees				✓	✓	✓

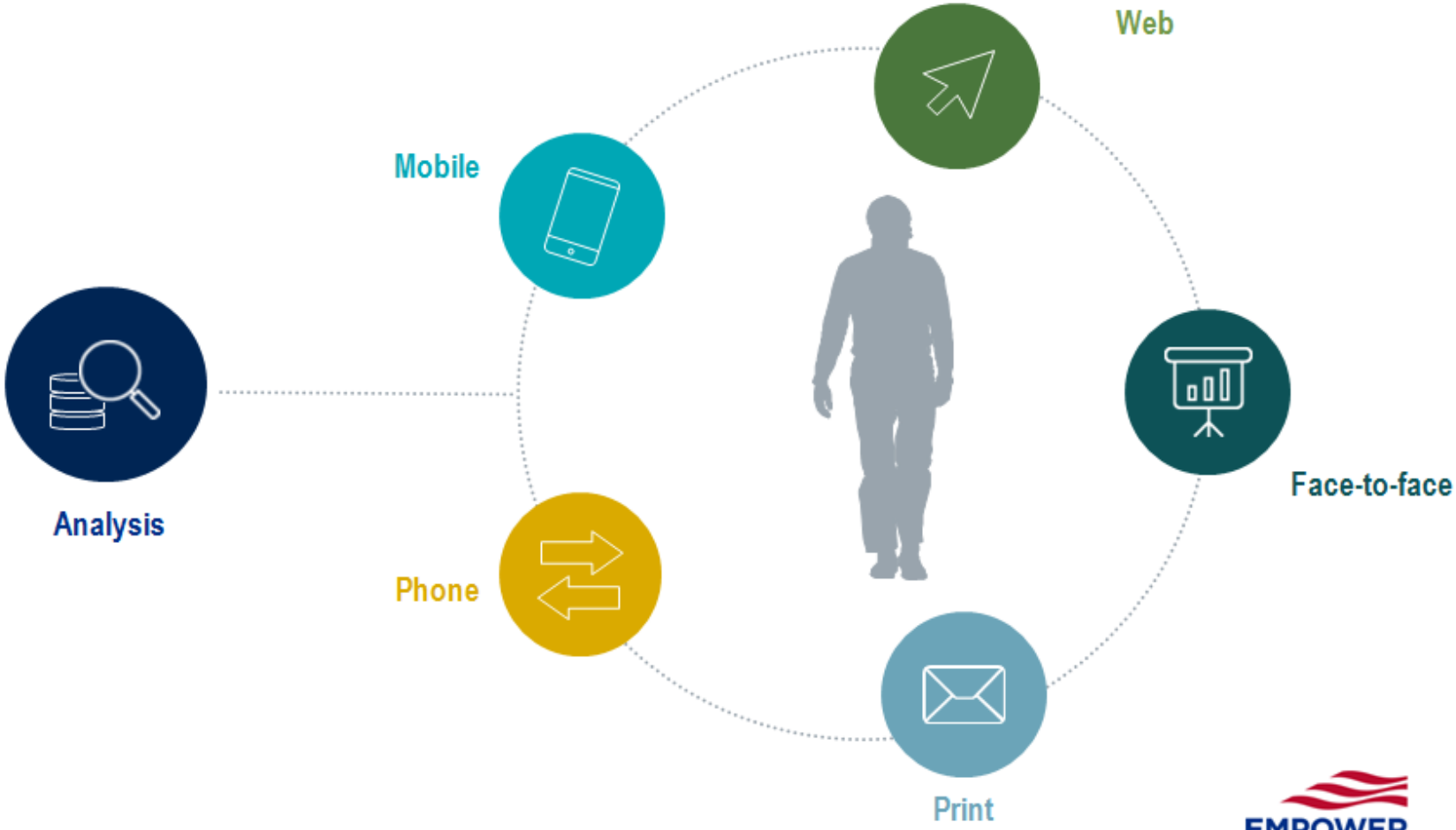
2015 PLANSPONSOR MAGAZINE survey, Nov. 2015. Awards were for plans between <$5M and >$1B. PT250947 (12/15)

The Empower Retirement difference

EMPOWER RETIREMENT™

Commitment	• Market leadership • Financial strength
Integrity	• Accountability • Strategic partnership plan
People	• Experienced and credentialed • Behavior-based education
Innovation	• Superior recordkeeping • Robust participant experience
Evolution	• Specialist in transitions • Plan Lifetime Income Score
Value	• Competitive • Full transparency

Multichannel engagement



EMPOWER RETIREMENT™

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Impacting participant behavior through custom communications

- Custom theme that aligns with your culture and employee demographics
- Integrated communications strategy based on your objectives
- Targeted approach to help ensure the right message is delivered to the right person at the right time
- Ongoing evaluation of our approach to assess new opportunities for communications and education

Focus on monthly income puts retirement in the right context

Traditional approach:
Total plan balance

Estimated goal

$1,500,000

Current balance

$63,452

Our approach:
Monthly income

Estimated goal

$4,200

Current monthly income

$3,400

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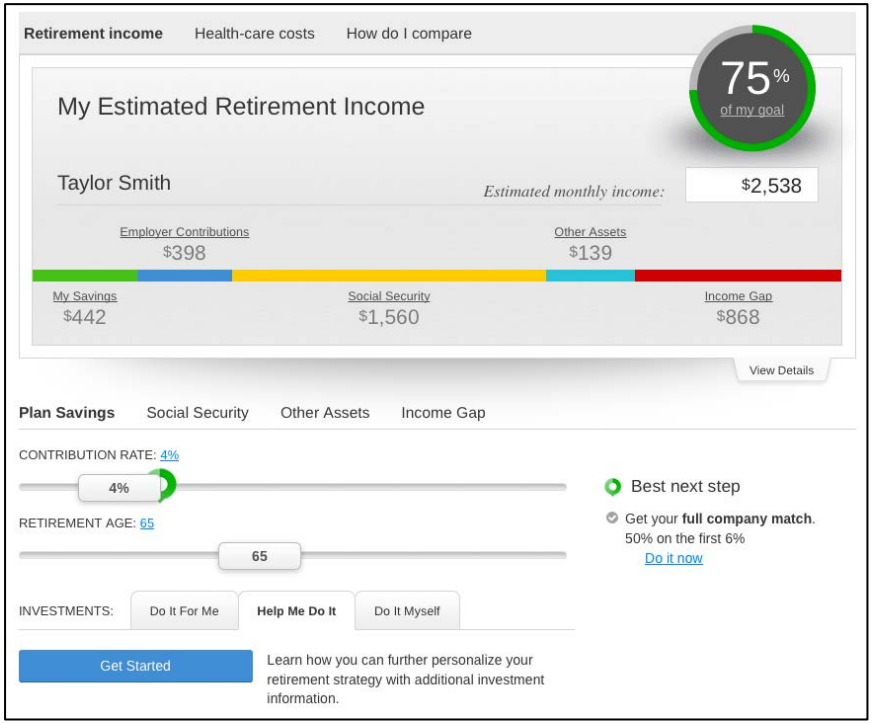
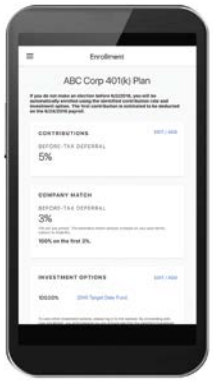
A consistent, prescriptive approach to monthly income helps employees save more

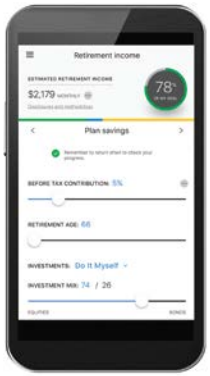


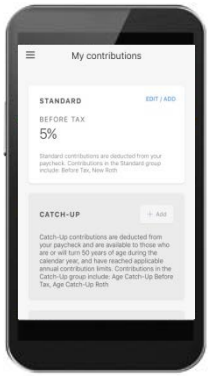
- Focused on income replacement
- Proactive suggested next step to increase savings
- Investment guidance and advice with a link to managed account provider
- Holistic view of multiple retirement plans

NOTICE: The Empower Retirement Participant Experience contains representations of products and services in development and that may not be currently available. As such, the representations made here are subject to future regulatory review and revisions without notice.

Greater engagement through mobile technology







Access anytime

- First time user registration on the device
- Login with multi-factor authentication
- Retrieve username/reset password
- Thumbprint ID
- Tour and FAQ's

Enroll in seconds

- One click enrollment
- Beneficiary designation
- Allocation elections

See your progress

- See progress toward goal and estimated monthly income

Take the next step

- Change contributions
- Change allocation elections
- Update beneficiary

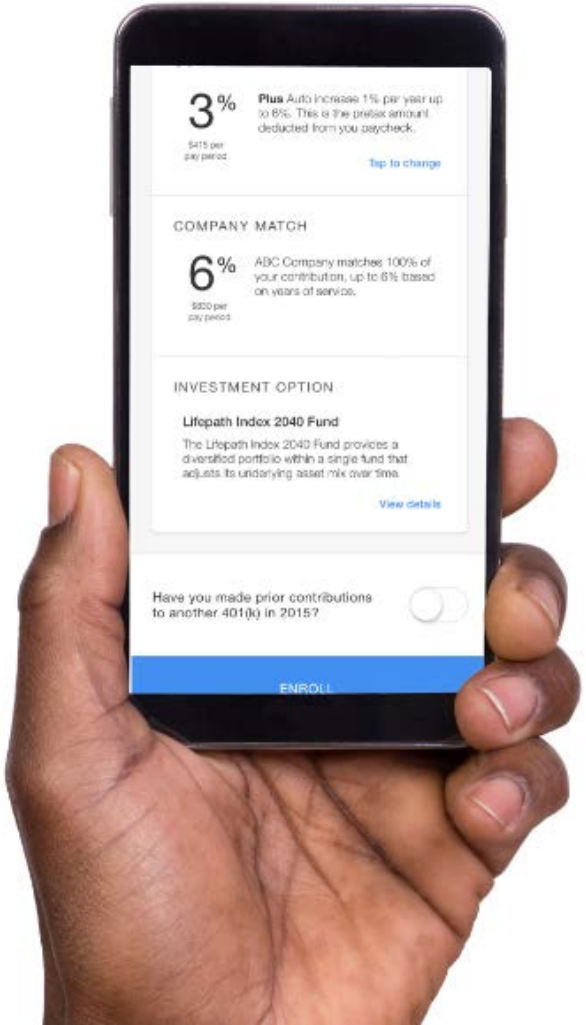
PT231090 12/15

FOR ILLUSTRATIVE PURPOSES ONLY

The data presented represents a hypothetical example and is not representative of any specific plan calculation.

Employees can register their account anywhere, anytime and enroll with one easy click

- No need to wait for a mailed PIN
- Preset savings and investment selectior take the guesswork out of enrollment
- Ability to customize elections



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PT231090 12/15

An experience proved to drive higher savings rates

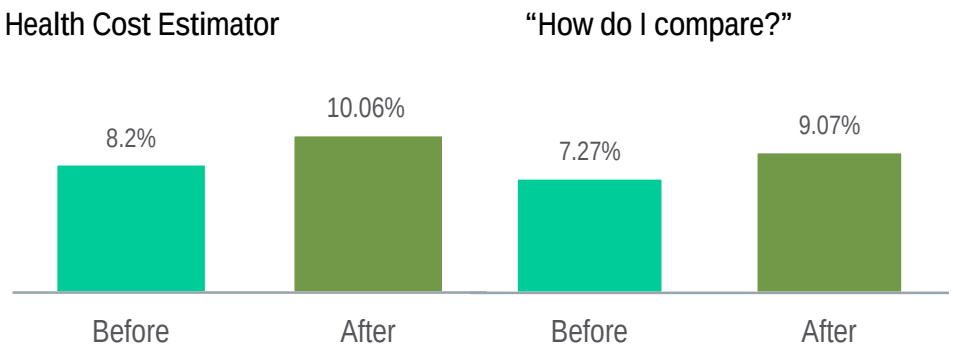
Immediate action leads to better long-term success

Our approach has generated results

35% of participants change their deferral rate

18% is the average deferral rate increase

Key features motivate even higher savings rates



Based on participant website usage data for the period 1/1/13–5/31/15; users are defined as participants who logged on to the website and moved the deferral rate slider at least once.

Comprehensive education

Retirement plan professionals

- Registered FINRA 6, 63 and 65
- Government market specialists
- Salaried/bonus based on plan objectives
- Do not sell other products
- Online meeting scheduler

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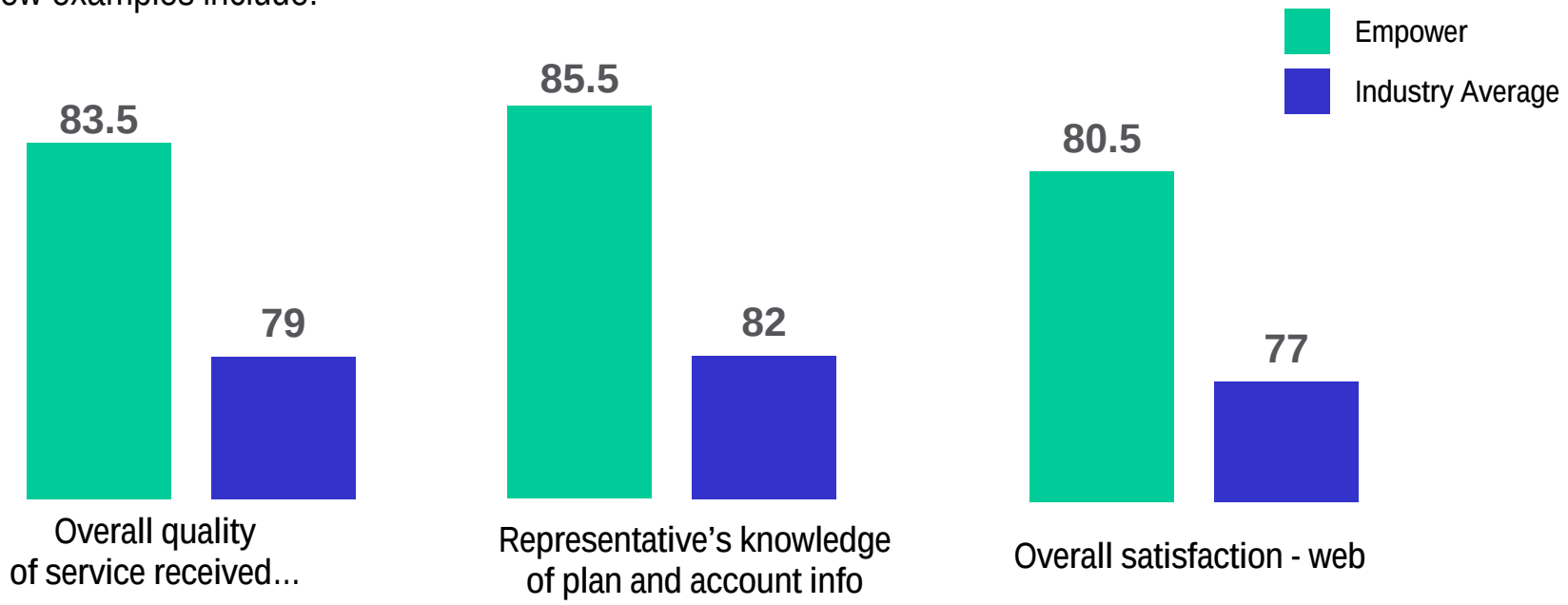
Superior participant satisfaction

Empower beats Government Markets composite for participant satisfaction in the following areas of service

A few examples include:



Source: Spectrem Group, Average of 2012 and 2013 Metrics based on participant ratings of 1-100. Most recent data available.

Our values

Our clients – Our clients are why we're in business

We aim to empower them and exceed their expectations in everything we do.

Doing that takes the courage to challenge conventional wisdom and the imagination to create breakthrough solutions, services and ideas for the people who put their trust in us.

Our people – We have world-class associates

To us, world class means associates who have great skills and work ethic, who welcome responsibility and who can collaborate with — and respect — colleagues from every community in the world.

Winning together – We work to win — together

We have a passion for helping clients and partners in reaching their goals. We win by delivering the results they need. Our associates seek rewarding careers doing work they can be proud of.

And all of us aim to deliver profitable growth to our shareholders. We are building on a proud legacy to achieve an even brighter future.

This is our company

Disclosures

Prior to selecting investment options for your Plan, Plan Sponsors should consider the investment objectives, risks, fees and expenses carefully. For this and other important information, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds, and/or additional disclosure documents for investment options exempt from SEC registration from your registered representative. Read them carefully before making a selection.

An investment in a Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Fund.

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Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

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Core investment options offered through a group fixed and variable deferred annuity issued by GWL&A or, in New York, by GWL&A of NY, mutual funds, separately managed accounts, and/or collective trust funds.

GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative service

Unless otherwise noted: Not a Deposit | Not FDIC Insured | Not Bank Guaranteed | Funds May Lose Value | Not Insured by Any Federal Government Agency

Disclosures

Not all features currently available. Some features are under consideration and/or in development. Presented for discussion purposes, non-binding and subject to change without notice.

This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for investment, accounting, legal or tax advice.

Although data is gathered from reliable sources, the completeness or accuracy of the data shown cannot be guaranteed.

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Team experience as of 12/31/14 unless otherwise noted.

There can be no assurance that the professionals currently employed by Empower Retirement will continue to be employed by Empower Retirement or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success.

All case studies are shown for illustrative purposes only and should not be relied upon as advice or interpreted as a recommendation. They are based on market conditions at time of the analysis and are subject to change. Results shown are not meant to be representative of actual investment results. Past performance is not a guarantee of and may not be indicative of future results.

Disclosures

IMPORTANT: The projections, or other information generated by the Empower Participant Experience regarding the likelihood of various investment outcomes, are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time.

The analyses present the likelihood of various investment outcomes if certain investment strategies or styles are undertaken, thereby serving as an additional resource to investors in the evaluation of the potential risks and returns of investment choices. Each simulation takes into account the participant's current plan balance and investment mix, as well as his or her age, income, retirement date, contribution rate, likely future savings, and estimated Social Security benefit. The tool runs over 50 billion market simulations to provide an estimate of a monthly income likely to be generated at retirement. The Empower Participant Experience is an interactive investment tool designed for Empower Retirement defined contribution participants to illustrate the estimated impact of a participant's plan balances and projected savings on income in retirement. The tool takes into account both before-tax and after-tax accumulated balances and future regularly scheduled contributions for estimated projections. It cannot account for dramatic changes in a participant's personal situation, including unexpected expenses and other financial situations that may negatively affect one's estimated monthly income in retirement. You are advised to consider your other assets, income, investment options, investment time horizon, income tax bracket, and risk tolerance when planning for specific investment goals. It is recommended that you consult a financial advisor for more information. It is important to note that the results from this tool are estimates based on what you input today. The results are not a guarantee of actual outcomes and will change as your inputs change.

Healthcare costs and projections are provided by HealthView Services. Empower Retirement does not provide healthcare advice. Empower Retirement does not believe that HIPAA applies to the data obtained from plan participants using this tool. HealthView Services is not affiliated with GWFS Equities, Inc.

Top peers are defined as individuals who are at the 90th percentile of the selected age band, salary range, and gender.

Disclosures

All noted awards, ranking and accolades are attributed to products and services now provided by Empower Retirement.

IMPORTANT: The projections, or other information generated by the Lifetime Income Score℠ regarding the likelihood of various investment outcomes, are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time.

The Lifetime Income Score℠ represents an estimate of the percentage of current income that an individual might need to replace from savings in order to fund retirement expenses. This income estimate is based on the individual's amount of current savings as well as future contributions to savings (as provided by participants in the survey) and includes investments in 401(k) plans, IRAs, taxable accounts, variable annuities, cash value of life insurance, and income from defined benefit pension plans. It also includes future wage growth from present age (e.g., 45) to the retirement age of 65 (1% greater than the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)) as well as an estimate for future Social Security benefits.

The calculations also take into account mortality rates for a variety of commonly diagnosed health conditions, including high blood pressure, high cholesterol, Type 2 Diabetes, cancer of any type, and cardiovascular disease of any type apart from high blood pressure. In addition, the model also takes into account the consistent use of tobacco on a household basis.

The Lifetime Income Score estimate is derived from the present value discounting of the future cash flows associated with an individual's retirement savings and expenses. It incorporates the uncertainty around investment returns (consistent with historical return volatility) as well as the mortality uncertainty that creates a retirement horizon of indeterminate length. Specifically, the Lifetime Income Score procedure begins with the selection of a present value discount rate based on the individual's current retirement asset allocation (stocks, bonds, and cash). A rate is determined from historical returns such that 90% of the empirical observations of the returns associated with the asset allocation are greater than the selected discount rate. This rate is then used for all discounting of the survival probability-weighted cash flows to derive a present value of a retirement plan.

Alternative spending levels in retirement are examined in conjunction with the discounting process until the present value of cash flows is exactly zero. The spending level that generates a zero retirement plan present value is the income estimate selected as the basis for the Lifetime Income Score. In other words, it is an income level that is consistent with a 90% confidence in funding retirement. It is viewed as a "sustainable" spending level and one that is an appropriate benchmark for retirement planning.

The survey is not a prediction, and results may be higher or lower based on actual market returns.

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PT236917 (09/15)