

CANADA LIFE PATHWAYS CORE BOND FUND

Annual Management Report of Fund Performance

For the Year Ended March 31, 2021

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information, by visiting our website at www.canadalifeinvest.ca or by visiting the SEDAR website at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the Fund's Simplified Prospectus, Annual Information Form and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. 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", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Canada Life Investment Management Ltd. to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

CANADA LIFE PATHWAYS CORE BOND FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2021

Management Discussion of Fund Performance

June 3, 2021

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended March 31, 2021 (the "period"), that have affected the Fund's performance and outlook. If the Fund was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the Fund's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "CLIML" refers to Canada Life Investment Management Ltd., the manager of the Fund. CLIML is wholly owned by The Canada Life Assurance Company ("Canada Life"). CLIML has entered into a fund administration agreement with Mackenzie Financial Corporation ("Mackenzie"), an affiliate of CLIML and Canada Life, for administrative services (see *Recent Developments*). In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

Investment Objective and Strategies

The Fund seeks interest income and the potential for moderate capital appreciation by investing primarily in Canadian government and investment grade corporate bonds. The Fund may hold up to 10% of its assets in foreign investments.

Risk

The risks of the Fund remain as discussed in the Fund's Simplified Prospectus.

The Fund is suitable for short- to medium-term investors looking for a Canadian fixed income fund to hold as part of their portfolio, who can handle the volatility of bond markets and who have a low tolerance for risk.

Results of Operations

Investment Performance

During the period, the Fund's I Series securities returned 3.0% (after deducting fees and expenses paid by the series). This compares with the FTSE Canada Universe Bond Index return of 1.6%. All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

To combat economic challenges created by the COVID-19 pandemic, the Bank of Canada maintained extraordinary monetary and fiscal policy measures during the period. These measures included keeping its policy interest rate at 0.25% and making substantial bond purchases. Toward the end of the period, yields on 10-year government bonds increased to pre-pandemic levels. Despite a stronger near-term economic outlook at the end of the period, the central bank indicated willingness to maintain the pace of its asset purchase program.

The Fund outperformed the index, with its overweight exposure to corporate bonds contributing to performance as credit spreads (the difference in yield between corporate and government bonds of similar maturity)

narrowed for most of the period. An underweight position and security selection in government bonds, particularly an underweight position in federal bonds, also contributed.

Conversely, security selection in corporate bonds, particularly in the financial, energy and industrial sectors, detracted from performance, more than offsetting the positive impact of the overweight exposure. Security selection in federal bonds also detracted, partially offsetting the positive impact of the underweight exposure.

Over the period, the portfolio management team increased the Fund's exposure to federal bonds and decreased exposure to provincial bonds in response to the rapid rise in yields and spread compression in provincial bonds. The Fund's cash position was increased in order to lower duration, based on inflation expectations.

Net Assets

The Fund's NAV increased by 119.4% to \$33.9 million at March 31, 2021, from \$15.5 million at March 31, 2020. This change was composed primarily of \$0.1 million in net income (including interest income) from investment performance, after deducting fees and expenses, and \$18.4 million in net sales.

Fees and Expenses

The management expense ratio ("MER") for I Series of 0.00% during the year ended March 31, 2021, was unchanged from the MER for the year ended March 31, 2020. Other than certain specific fund costs, the management fee and administration fee were paid directly to Mackenzie and CLIML by investors in this series.

Recent Developments

Governments worldwide have enacted various measures in seeking to combat the spread of the COVID-19 virus. These measures have led to significant volatility in equity markets and material disruption to businesses globally, resulting in an economic slowdown.

Ongoing uncertainty regarding the duration and long-term impact of the pandemic and the implementation of vaccination programs, as well as the efficacy of government and central bank monetary and fiscal interventions, may continue to affect the Fund's performance in future periods.

Over the near term, the portfolio management team expects yields to remain elevated at the longer-term end of the yield curve in response to positive vaccination rates, the expectation of stronger economic growth and potentially higher inflation. In the team's view, fixed income markets may continue to exhibit uncertainty and volatility amid renewed lockdowns that threaten to delay a much-anticipated return to growth. The team believes the low-duration, high-yield nature of the corporate bond market presents an opportunity.

Effective January 1, 2021, the Fund's manager and trustee changed from Mackenzie to CLIML following CLIML's receipt of regulatory approval to be registered as an investment fund manager. This change received a positive recommendation from the Mackenzie Funds' Independent Review Committee ("IRC"). Mackenzie continues to provide certain administrative and transfer agency services to the Fund.

CANADA LIFE PATHWAYS CORE BOND FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2021

Concurrent with this change, Mackenzie replaced GLC Asset Management Group Ltd. as sub-advisor to the Fund.

Also effective January 1, 2021, the Mackenzie Funds' IRC was replaced by the Canada Life Funds' IRC, which consists of the following three members: Steve Geist (Chair), Joanne De Laurentiis and Linda Currie.

Related Party Transactions

Mackenzie relied on a recommendation issued by the Mackenzie Funds' Independent Review Committee to replace Mackenzie with CLIML as the Fund's manager and trustee in January 2021.

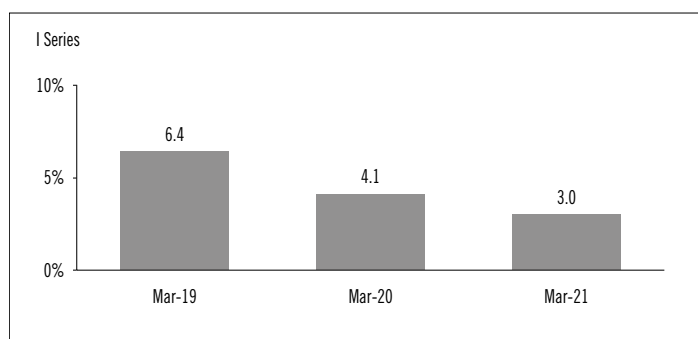
Past Performance

The Fund's past performance information is presented in the following chart and table. It assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series of the Fund. The chart and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

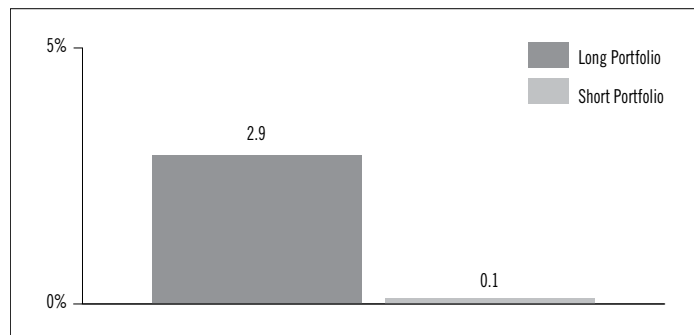
If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional securities of the Fund. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The following bar chart presents the performance of I Series of the Fund for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.



The following bar chart presents the performance of the Fund's long and short portfolio positions for the year ended March 31, 2021, before deducting fees and expenses and before the effect of other assets (liabilities).



Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2021. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
I Series	3.0	n/a	n/a	n/a	5.5
FTSE Canada Universe Bond Index	1.6	n/a	n/a	n/a	5.0

The FTSE Canada Universe Bond Index is a broad measure of Canadian bonds with terms to maturity of more than one year. It includes federal, provincial, municipal and corporate bonds rated "BBB" or higher.

CANADA LIFE PATHWAYS CORE BOND FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2021

Summary of Investment Portfolio at March 31, 2021

Portfolio Allocation	% of NAV
Bonds	93.4
<i>Bonds</i>	93.3
<i>Short futures*</i>	0.1
Cash and short-term investments	14.2
Other assets (liabilities)	(7.6)
Regional Allocation	% of NAV
Canada	90.7
Cash and short-term investments	14.2
United States	2.7
Other assets (liabilities)	(7.6)
Sector Allocation	% of NAV
Corporate bonds	42.6
Federal bonds	32.7
Provincial bonds	17.1
Cash and short-term investments	14.2
Mortgage backed	0.9
Other	0.1
Other assets (liabilities)	(7.6)
Bonds by Credit Rating**	% of NAV
AAA	37.3
AA	6.6
A	23.4
BBB	20.3
Unrated	5.8

* Notional values represent –11.9% of NAV for Canadian 10-Year Bond Futures.

** Credit ratings and rating categories are based on ratings issued by a designated rating organization.

Top 25 Long Positions

Issuer	% of NAV
Cash and short-term investments	14.2
Canada Housing Trust F/R 03-15-2026	11.0
Government of Canada 2.25% 06-01-2025	3.4
Province of Ontario 1.90% 12-02-2051	3.4
Government of Canada 1.25% 06-01-2030	2.9
Government of Canada 3.00% 12-01-2036 Real Return	2.8
Canadian Imperial Bank of Commerce 2.00% 04-17-2025	2.7
National Bank of Canada 2.55% 07-12-2024	2.7
Government of Canada 2.00% 09-01-2023	2.3
Province of British Columbia 2.95% 06-18-2050	2.2
Government of Canada 2.75% 06-01-2022	2.1
Canada Housing Trust F/R 09-15-2024	1.8
Province of Ontario 2.65% 12-02-2050	1.8
Province of Quebec 3.10% 12-01-2051	1.7
Province of Quebec 1.50% 09-01-2031	1.6
Canada Housing Trust 2.90% 06-15-2024	1.4
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	1.3
Government of Canada 2.00% 06-01-2028	1.2
Canada Housing Trust 1.95% 12-15-2025	1.2
Government of Canada 2.25% 03-01-2024	1.1
Province of Quebec 3.50% 12-01-2048	1.0
Royal Bank of Canada 4.93% 07-16-2025	1.0
The Bank of Nova Scotia 3.10% 02-02-2028	1.0
Bank of Montreal 2.70% 12-09-2026	1.0
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	0.9

**Top long positions as a percentage
of total net asset value**

67.7

Top 25 Short Positions

Issuer	% of NAV
Canadian 10-Year Bond Futures*	0.1

**Top short positions as a percentage
of total net asset value**

0.1

The investments and percentages may have changed since March 31, 2021, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.

CANADA LIFE PATHWAYS CORE BOND FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2021

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

THE FUND'S NET ASSETS PER SECURITY (\$)¹

I Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019
Net assets, beginning of period	10.64	10.48	10.00
Increase (decrease) from operations:			
Total revenue	0.27	0.29	0.13
Total expenses	–	–	–
Realized gains (losses) for the period	(0.01)	0.08	0.04
Unrealized gains (losses) for the period	(0.22)	(0.08)	0.50
Total increase (decrease) from operations²	0.04	0.29	0.67
Distributions:			
From net investment income (excluding Canadian dividends)	(0.26)	(0.27)	(0.12)
From Canadian dividends	–	–	–
From capital gains	–	–	(0.03)
Return of capital	–	–	–
Total annual distributions³	(0.26)	(0.27)	(0.15)
Net assets, end of period	10.71	10.64	10.48

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.

(3) Distributions were paid in cash/reinvested in additional securities of the Fund, or both.

RATIOS AND SUPPLEMENTAL DATA

I Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019
Total net asset value (\$000) ¹	33,909	15,455	3,330
Securities outstanding (000) ¹	3,165	1,452	318
Management expense ratio (%) ²	–	–	0.01
Management expense ratio before waivers or absorptions (%) ²	–	–	0.01
Trading expense ratio (%) ³	0.00	0.01	0.08
Portfolio turnover rate (%) ⁴	62.82	35.79	n/a
Net asset value per security (\$)	10.71	10.64	10.48

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs, income taxes and withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If in the period a series was established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement. Mackenzie/CLIML may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.

Management Fees

The management fee for each series is calculated and accrued daily as a percentage of its NAV and payable quarterly directly by investors and not by the Fund. These management fees were received by Mackenzie, until the change in manager on January 1, 2021, and used in part to pay GLC Asset Management Group Ltd., an affiliate of Mackenzie, for investment advisory services, including managing the investment portfolio of the Fund and/or the underlying fund(s), as applicable, including providing investment analysis and recommendations, making investment decisions and making brokerage arrangements for the purchase and sale of the investment portfolio.

Subsequent to the change in manager, these management fees were received by CLIML and used in part to pay Mackenzie for investment advisory services.

Quadrus Investment Services Ltd. ("Quadrus"), an affiliate of CLIML and Mackenzie, is the principal distributor for the Fund. Until the change in manager, Canada Life provided certain services to Mackenzie in connection with Mackenzie's portfolio management activities and paid certain administrative costs. As such, Quadrus and Canada Life received a portion of the management fees that investors in the Fund paid directly to Mackenzie. Approximately 77% of the total management fees that Mackenzie received in connection with the Canada Life Mutual Funds until January 1, 2021, was paid under these arrangements.

Subsequent to the change in manager, Quadrus receives a portion of the management fees that investors in the Fund pay directly to CLIML.

CANADA LIFE PATHWAYS CORE BOND FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2021

Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Annual Information Form.

Date of Formation October 12, 2018

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in *Financial Highlights*.

Series Distributed by Quadrus Investment Services Ltd. (255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; www.canadalifeinvest.ca)

I Series securities are offered to investors investing a minimum of \$25,000, who are participating in the Canada Life Constellation Managed Portfolios program, and who have entered into an I Series Account Agreement with CLIML and Quadrus which specifies the fees applicable to this account.

Series S securities are offered to The Canada Life Assurance Company and certain other mutual funds, but may be sold to other investors as determined by CLIML.

I Series of the Fund is only available for purchase under a no-load purchase option. For further details on this purchase option, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees
I Series	October 22, 2018	— ⁽¹⁾	— ⁽¹⁾
Series S	None issued	— ⁽²⁾	0.02%

(1) This fee is negotiable and payable directly to CLIML by investors in this series through redemptions of their securities.

(2) This fee is negotiable and payable directly to CLIML by investors in this series.