

CANADA LIFE CONSERVATIVE FOLIO FUND

(Formerly Conservative Folio 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.

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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 income and long-term capital growth by investing primarily in other mutual funds with a mix of investment styles that invest in fixed income securities and equities, although it may also invest in securities directly. It generally holds 65%–75% of its assets in fixed income securities and 25%–35% in equities.

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 balanced fund to hold as part of their portfolio, who can handle the volatility of stock and bond markets, and who have a low tolerance for risk.

Results of Operations

Investment Performance

The performance of the Fund's Q Series (formerly Quadrus Series) securities is discussed below. The performance of all series is shown in the *Past Performance* section of the report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Fund Formation and Series Information* section of this report for the varying management and administration fees payable by each series.

During the period, the Fund's Q Series securities returned 8.4% (after deducting fees and expenses paid by the series). This compares with a return of 10.3% for a blended index composed of a 75% weighting in the Fund's broad-based index, the FTSE Canada Universe Bond Index (returned 1.6%), a 15% weighting in the MSCI World (Net) Index (returned 37.3%) and a 10% weighting in the S&P/TSX Composite Index (returned 44.2%). 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.

Global equity markets, including Canada's, rebounded to all-time highs following the pandemic-driven collapse in March 2020. News of successful vaccine development helped lift stocks expected to benefit from economic reopening. However, waves of COVID-19 infections and hospitalizations in the second half of the period slowed reopening in many regions. In response, governments and central banks continued to provide significant stimulus and accommodative monetary policies to boost struggling economies. The Bank of Canada kept its policy interest rate at 0.25% and made substantial bond purchases. Toward the end of the period, yields on 10-year government bonds increased to pre-pandemic levels. Currency movements reduced returns in Canadian dollar terms.

Within the MSCI World (Net) Index, Austria, Sweden and the Netherlands were the strongest-performing countries in Canadian dollar terms, while Switzerland, Portugal and New Zealand were the weakest. The consumer discretionary, materials and information technology sectors were the strongest performers, while utilities, consumer staples and health care were the weakest.

Within the S&P/TSX Composite Index, consumer discretionary, information technology and health care were the strongest sectors, while communication services, consumer staples and utilities were the weakest.

The following discussion reflects the Fund's allocation decisions and the activities and performance of its underlying investment funds and other directly held securities. The Fund outperformed the broad-based index because of its allocation to equities, which outperformed fixed income in the period. Given the Fund's mandate, the return of the blended index is a more meaningful comparison.

The Fund underperformed the blended index, with its equity portfolio detracting from performance. The Fund's cash position also detracted as markets rose. The fixed income portfolio contributed to performance.

Within the fixed income portion of the Fund, an overweight position in corporate bonds and underweight position in government bonds contributed to performance as credit spreads (the difference in yield between corporate and government bonds of similar maturity) narrowed for most of the period. Conversely, holdings in non-Canadian bonds detracted from performance.

Within the equity portion of the Fund, underweight exposure to the information technology sector and overweight exposure to the utilities sector detracted from performance. On a country basis, stock selection in the United States and Canada detracted. Conversely, stock selection in the materials sector contributed to performance. On a country basis, stock selection and an underweight position in Japan contributed, as did holdings in Taiwan.

Hedging of foreign currency exposure contributed to performance as a result of the overall depreciation of the hedged currencies relative to the Canadian dollar.

Over the period, exposure to fixed income decreased to align the Fund with positive expectations for equity markets. Exposure to the United States increased, while exposure to Canada decreased, to better diversify the Fund's sources of risk and return.

Changes to the portfolio included new positions in Canada Life Tactical Bond Fund (Portico), Canada Life Pathways Global Multi Sector Bond Fund, Canada Life US All Cap Growth Fund, Mackenzie Canadian Equity Fund, Canada Life Canadian Equity Fund (Laketon), Canada Life US Equity Fund

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(London Capital), Mackenzie Global Growth Class, Mackenzie Emerging Markets Opportunities Fund, Canada Life American Equity Fund (Beutel Goodman), Canada Life Pathways International Equity Fund, Canada Life Pathways Emerging Markets Equity Fund and Canada Life International Opportunity Fund (JPMorgan). The positions in Canada Life Core Plus Bond Fund (Portico), Canada Life International Core Equity Fund (JPMorgan) and Canada Life Canadian Value Fund (FGP) were eliminated.

Net Assets

The Fund's NAV increased by 49.5% to \$398.1 million at March 31, 2021, from \$266.3 million at March 31, 2020. This change was composed primarily of \$25.2 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, and \$106.7 million in net sales.

At March 31, 2021, 16.2% of the Fund's NAV was held by investors that individually owned 10% or more of the Fund. As a result of these investments, the Fund is subject to large transaction risk as discussed in the Prospectus. CLIML manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions. At March 31, 2021, CLIML had received no such notices.

Fees and Expenses

The management expense ratio ("MER") for Q Series of 2.25% during the year ended March 31, 2021, was unchanged from the MER for the year ended March 31, 2020. The MERs (before and after waivers or absorptions, if any) for all series are presented in the *Financial Highlights* section of this report.

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.

The portfolio management team responsible for asset allocation decisions for the Fund expects global economic activity to continue its recovery. The team believes that ongoing monetary and fiscal stimulus ultimately supports rising prices for risk assets such as equities and high-yield bonds, although returns may fall below historical averages following currently elevated valuations.

Within fixed income, the team anticipates that yields may fall in the near term following a sharp rise over the period, particularly among mid- and long-term bonds. However, the team believes expectations of higher inflation will lead to higher interest rates. Against that backdrop, the Fund ended the period with a shorter duration than the FTSE Canada Universe Bond Index and overweight exposure to corporate bonds.

Within equities, the team believes the Fund is well positioned to benefit from the continuing strength of both value- and growth-oriented stocks. In the team's view, the portfolio's diversification, along with exposure to

selected small- and mid-capitalization stocks, should support performance in a variety of market environments. The Fund ended the period with underweight exposure to North America.

On August 14, 2020, the Fund was renamed Canada Life Conservative Folio Fund. On the same date, certain underlying funds were also renamed. International Bond Fund (CLI) was renamed Canada Life International Bond Fund (CLI). Corporate Bond Fund (Portico) was renamed Canada Life Corporate Bond Fund (Portico). Long Term Bond Fund (Portico) was renamed Canada Life Long Term Bond Fund (Portico). U.S. Value Fund (Putnam) was renamed Canada Life US Value Fund (Putnam). Canadian Growth Fund (GWLIM) was renamed Canada Life Canadian Growth Fund (GWLIM). Dividend Fund (GWLIM) was renamed Canada Life Dividend Fund (GWLIM). Global Dividend Equity Fund (Setanta) was renamed Canada Life Global Dividend Equity Fund (Setanta). Short Term Bond Fund (Portico) was renamed Canada Life Short Term Bond Fund (Portico). Global Infrastructure Equity Fund (London Capital) was renamed Canada Life Global Infrastructure Equity Fund (London Capital).

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.

Concurrent with this change, GLC Asset Management Group Ltd. ceased to be the sub-advisor to the Fund. At the same time, Mackenzie replaced GLC Asset Management Group Ltd. as sub-advisor to underlying funds Canada Life Tactical Bond Fund (Portico), Canada Life Corporate Bond Fund (Portico), Canada Life Short Term Bond Fund (Portico), Canada Life Canadian Growth Fund (GWLIM), Canada Life Dividend Fund (GWLIM), Canada Life Canadian Equity Fund (Laketon), Canada Life US Equity Fund (London Capital) and Canada Life Global Infrastructure Equity Fund (London Capital), and GLC Asset Management Group Ltd. ceased to be the sub-advisor to underlying fund Canada Life Long Term Bond Fund (Portico).

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

The following arrangements result in fees paid by the Fund to CLIML or to companies affiliated with the Fund.

Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to Mackenzie for the period from April 1 to December 31, 2020 ("the pre-manager change period"), and to CLIML thereafter at the annual rates specified under *Fund Formation and Series Information* in this report and as more fully described in the Prospectus. After the pre-manager change period, CLIML paid the administration fee to Mackenzie for providing day-to-day administration services, including financial reporting, communications to investors and securityholder reporting, maintaining the books and records of the Fund, NAV calculations, and processing orders for securities of the Fund. In return

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for the administration fees, Mackenzie pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not included in management fees. See also *Management Fees*.

Other Related Party Transactions

Investment funds managed by CLIML and segregated funds managed by Canada Life and its subsidiaries may invest in the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. At March 31, 2021, funds managed by CLIML and segregated funds managed by Canada Life owned 1.0% of the Fund's NAV. All related party transactions are based on the NAV per security on each transaction day.

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.

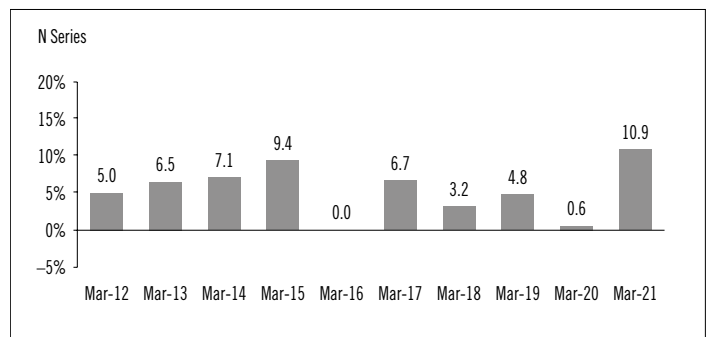
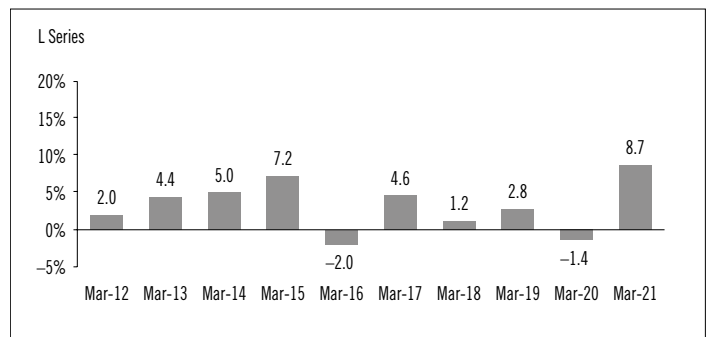
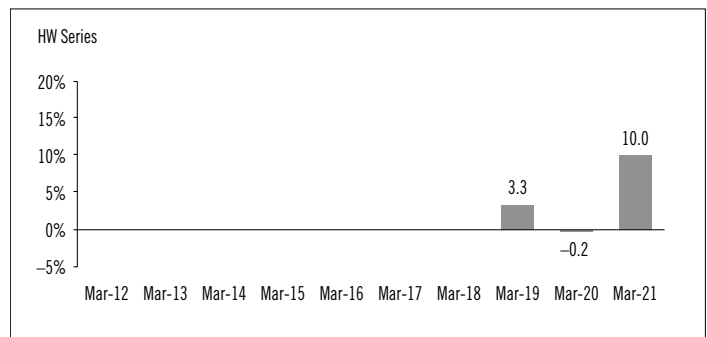
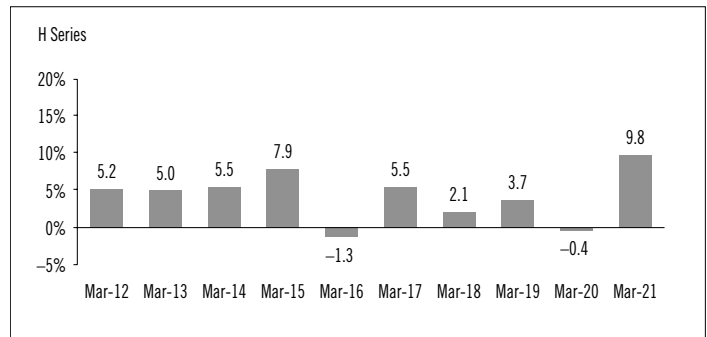
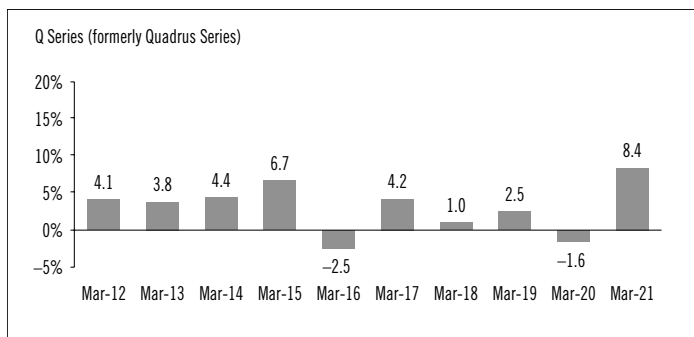
Past Performance

The Fund's past performance information is presented in the following charts 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 charts 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

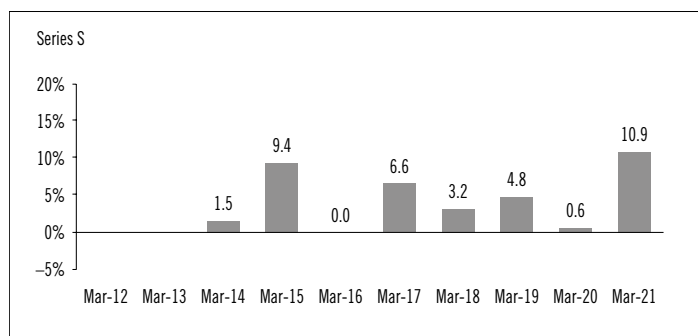
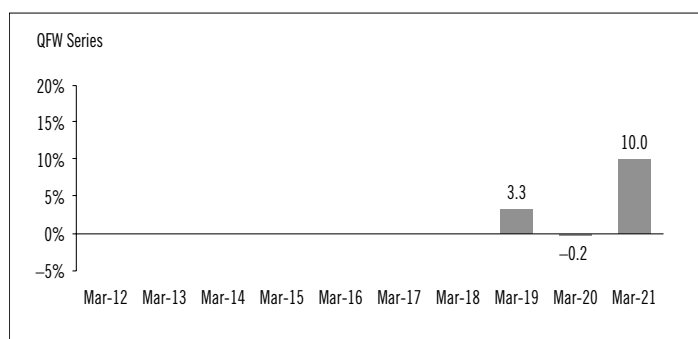
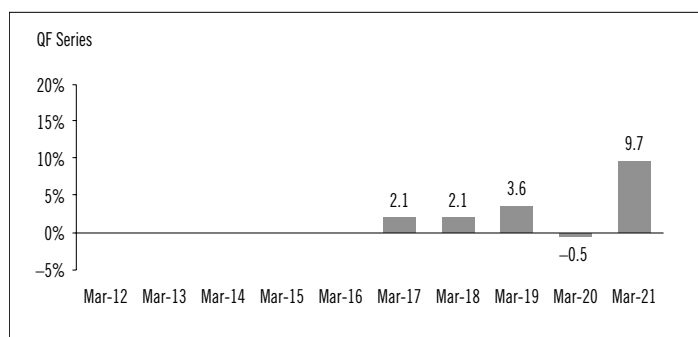
The following bar charts present the performance of each series of the Fund for each of the fiscal periods shown. The charts show, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased 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*.



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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	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception ²
Q Series (formerly Quadrus Series)	8.4	3.0	2.8	3.1	n/a
H Series	9.8	4.3	4.1	4.3	n/a
HW Series	10.0	n/a	n/a	n/a	4.9
L Series	8.7	3.3	3.1	n/a	3.4
N Series	10.9	5.3	5.2	n/a	5.7
QF Series	9.7	4.2	n/a	n/a	3.6
QFW Series	10.0	n/a	n/a	n/a	4.8
Series S	10.9	5.3	5.2	n/a	5.1
Blended Index	10.3	5.8	5.1	5.6	Note 3
FTSE Canada Universe Bond Index*	1.6	3.8	2.8	4.0	Note 4
MSCI World (Net) Index	37.3	11.9	12.6	12.8	Note 5
S&P/TSX Composite Index	44.2	10.2	10.1	6.0	Note 6

* Broad-based index

The blended index is composed of 75% FTSE Canada Universe Bond Index, 15% MSCI World (Net) Index and 10% S&P/TSX Composite Index.

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.

The MSCI World (Net) Index represents large- and mid-cap equity performance across 23 developed markets. Net total returns are calculated after the deduction of withholding tax from the foreign income and dividends of its constituents.

The S&P/TSX Composite Index is a capitalization weighted index that represents some of the largest float adjusted stocks trading on the Toronto Stock Exchange.

- (1) The percentage return differs for each series because the management fee rate and expenses differ for each series.
- (2) The return since inception for each series will differ when the inception date differs and is only provided when a series has been active for a period of less than 10 years.
- (3) The return of the blended index since inception for each applicable series is as follows: HW Series 6.0%, L Series 5.5%, N Series 5.7%, QF Series 4.6%, QFW Series 6.0%, Series S 5.3%.
- (4) The return of the FTSE Canada Universe Bond Index since inception for each applicable series is as follows: HW Series 4.5%, L Series 3.2%, N Series 3.4%, QF Series 2.4%, QFW Series 4.5%, Series S 3.6%.
- (5) The return of the MSCI World (Net) Index since inception for each applicable series is as follows: HW Series 10.7%, L Series 14.6%, N Series 14.9%, QF Series 12.5%, QFW Series 10.7%, Series S 11.9%.
- (6) The return of the S&P/TSX Composite Index since inception for each applicable series is as follows: HW Series 8.8%, L Series 8.5%, N Series 8.5%, QF Series 8.8%, QFW Series 8.8%, Series S 7.3%.

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Summary of Investment Portfolio at March 31, 2021

Effective Portfolio Allocation	% of NAV
Bonds	65.4
Equities	29.6
Cash and short-term investments	4.9
Mutual funds	0.1

Effective Regional Allocation	% of NAV
Canada	55.6
United States	22.8
Other	5.2
Cash and short-term investments	4.9
United Kingdom	2.2
China	1.9
France	1.0
South Korea	1.0
Switzerland	0.9
Japan	0.8
Germany	0.8
Australia	0.8
Mexico	0.6
Taiwan	0.5
Hong Kong	0.5
Italy	0.5

Effective Sector Allocation	% of NAV
Corporate bonds	39.7
Provincial bonds	10.3
Foreign government bonds	6.3
Federal bonds	6.1
Financials	5.8
Cash and short-term investments	4.9
Information technology	4.8
Industrials	4.6
Other	3.4
Health care	2.7
Consumer discretionary	2.5
Consumer staples	2.2
Communication services	2.0
Utilities	1.6
Energy	1.6
Mortgage backed	1.5

Effective Net Currency Exposure	% of NAV
Canadian dollar	73.3
U.S. dollar	13.2
Other	5.1
Euro	3.9
British pound	1.4
Hong Kong dollar	1.2
Japanese yen	1.0
Chinese yuan	0.9

The effective allocation shows the portfolio, regional, sector or net currency exposure of the Fund calculated by combining its direct and indirect investments.

Top 25 Positions

Issuer/Underlying Fund	% of NAV
Mackenzie Canadian Bond Fund Series CL	23.2
Canada Life Tactical Bond Fund (Portico) Series R	23.2
Canada Life Corporate Bond Fund (Portico) Series R	6.0
Mackenzie Unconstrained Fixed Income Fund Series CL	5.0
Canada Life Pathways Global Multi Sector Bond Fund Series R	3.7
Canada Life International Bond Fund (CLI) Series R	3.7
Canada Life Short Term Bond Fund (Portico) Series R	2.5
Canada Life Long Term Bond Fund (Portico) Series R	2.5
Canada Life US All Cap Growth Fund Series R	2.4
Canada Life Canadian Growth Fund (GWLIM) Series R	2.3
Mackenzie Canadian Equity Fund Series CL	2.3
Canada Life Canadian Equity Fund (Laketon) Series R	2.3
Canada Life Dividend Fund (GWLIM) Series R	2.2
Canada Life US Equity Fund (London Capital) Series R	2.0
Canada Life Global Infrastructure Equity Fund (London Capital) Series R	2.0
Canada Life Global Dividend Equity Fund (Setanta) Series R	2.0
Canada Life US Value Fund (Putnam) Series R	2.0
Mackenzie Global Growth Class Series CL	1.7
Mackenzie Emerging Markets Opportunities Fund Series CL	1.5
Mackenzie Ivy Foreign Equity Fund Series CL	1.5
Canada Life American Equity Fund (Beutel Goodman) Series R	1.5
Canada Life Pathways International Equity Fund Series R	1.5
Canada Life Pathways Emerging Markets Equity Fund Series R	1.5
Canada Life International Opportunity Fund (JPMorgan) Series R	1.4
Cash and short-term investments	0.0

Top long positions as a percentage of total net asset value	99.9
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The Fund held no direct short positions at the end of the period.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit www.canadalifeinvest.ca or www.sedar.com.

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.

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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

Q Series (formerly Quadrus Series)	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	12.76	13.00	12.94	12.90	12.63
Increase (decrease) from operations:					
Total revenue	0.38	0.39	0.39	0.38	0.40
Total expenses	(0.30)	(0.29)	(0.28)	(0.28)	(0.29)
Realized gains (losses) for the period	0.76	0.14	0.09	0.16	0.25
Unrealized gains (losses) for the period	0.21	(0.46)	0.12	(0.13)	0.15
Total increase (decrease) from operations²	1.05	(0.22)	0.32	0.13	0.51
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	–	(0.08)	(0.04)	(0.06)
From Canadian dividends	(0.10)	(0.03)	(0.05)	(0.04)	(0.07)
From capital gains	(0.27)	–	(0.12)	–	(0.13)
Return of capital	–	–	–	–	–
Total annual distributions³	(0.39)	(0.03)	(0.25)	(0.08)	(0.26)
Net assets, end of period	13.45	12.76	13.00	12.94	12.90

H Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	10.03	10.29	10.24	10.21	10.08
Increase (decrease) from operations:					
Total revenue	0.29	0.31	0.31	0.30	0.32
Total expenses	(0.10)	(0.10)	(0.10)	(0.09)	(0.11)
Realized gains (losses) for the period	0.46	(0.13)	0.02	0.06	0.22
Unrealized gains (losses) for the period	0.16	(0.37)	0.10	(0.10)	0.12
Total increase (decrease) from operations²	0.81	(0.29)	0.33	0.17	0.55
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	(0.03)	(0.15)	(0.08)	(0.10)
From Canadian dividends	(0.17)	(0.19)	(0.05)	(0.11)	(0.12)
From capital gains	(0.25)	–	(0.12)	–	(0.19)
Return of capital	–	–	–	–	–
Total annual distributions³	(0.44)	(0.22)	(0.32)	(0.19)	(0.41)
Net assets, end of period	10.57	10.03	10.29	10.24	10.21

HW Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	9.82	10.08	10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.29	0.31	0.20	n/a	n/a
Total expenses	(0.09)	(0.09)	(0.05)	n/a	n/a
Realized gains (losses) for the period	0.53	(0.15)	0.09	n/a	n/a
Unrealized gains (losses) for the period	0.16	(0.37)	0.06	n/a	n/a
Total increase (decrease) from operations²	0.89	(0.30)	0.30	n/a	n/a
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	(0.03)	(0.09)	n/a	n/a
From Canadian dividends	(0.17)	(0.22)	(0.03)	n/a	n/a
From capital gains	(0.25)	–	(0.12)	n/a	n/a
Return of capital	–	–	–	n/a	n/a
Total annual distributions³	(0.44)	(0.25)	(0.24)	n/a	n/a
Net assets, end of period	10.36	9.82	10.08	n/a	n/a

L Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	11.17	11.37	11.30	11.26	11.08
Increase (decrease) from operations:					
Total revenue	0.32	0.34	0.34	0.33	0.35
Total expenses	(0.23)	(0.23)	(0.22)	(0.22)	(0.22)
Realized gains (losses) for the period	0.58	0.09	0.11	0.11	0.19
Unrealized gains (losses) for the period	0.18	(0.40)	0.11	(0.12)	0.14
Total increase (decrease) from operations²	0.85	(0.20)	0.34	0.10	0.46
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	(0.01)	(0.07)	(0.05)	(0.09)
From Canadian dividends	(0.10)	(0.04)	(0.05)	(0.05)	(0.10)
From capital gains	(0.25)	–	(0.11)	–	(0.14)
Return of capital	–	–	–	–	–
Total annual distributions³	(0.37)	(0.05)	(0.23)	(0.10)	(0.33)
Net assets, end of period	11.78	11.17	11.37	11.30	11.26

(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.

CANADA LIFE CONSERVATIVE FOLIO FUND

(Formerly Conservative Folio Fund)

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

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

N Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	11.30	11.70	11.64	11.59	11.54
Increase (decrease) from operations:					
Total revenue	0.30	0.35	0.36	0.34	0.36
Total expenses	—	—	—	—	—
Realized gains (losses) for the period	0.22	0.13	0.05	0.13	0.21
Unrealized gains (losses) for the period	0.17	(0.41)	0.11	(0.12)	0.14
Total increase (decrease) from operations²	0.69	0.07	0.52	0.35	0.71
Distributions:					
From net investment income (excluding Canadian dividends)	(0.04)	(0.05)	(0.26)	(0.12)	(0.18)
From Canadian dividends	(0.26)	(0.43)	(0.07)	(0.20)	(0.23)
From capital gains	(0.30)	—	(0.15)	—	(0.29)
Return of capital	—	—	—	—	—
Total annual distributions³	(0.60)	(0.48)	(0.48)	(0.32)	(0.70)
Net assets, end of period	11.93	11.30	11.70	11.64	11.59
QF Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	9.68	9.91	9.87	9.83	10.00
Increase (decrease) from operations:					
Total revenue	0.28	0.30	0.30	0.29	0.21
Total expenses	(0.11)	(0.11)	(0.10)	(0.10)	(0.08)
Realized gains (losses) for the period	0.51	0.09	0.13	0.14	0.12
Unrealized gains (losses) for the period	0.15	(0.35)	0.09	(0.10)	0.08
Total increase (decrease) from operations²	0.83	(0.07)	0.42	0.23	0.33
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	(0.02)	(0.13)	(0.07)	(0.07)
From Canadian dividends	(0.15)	(0.17)	(0.05)	(0.10)	(0.10)
From capital gains	(0.24)	—	(0.12)	—	(0.20)
Return of capital	—	—	—	—	—
Total annual distributions³	(0.41)	(0.19)	(0.30)	(0.17)	(0.37)
Net assets, end of period	10.21	9.68	9.91	9.87	9.83

QFW Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	9.82	10.08	10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.27	0.31	0.20	n/a	n/a
Total expenses	(0.09)	(0.09)	(0.05)	n/a	n/a
Realized gains (losses) for the period	0.41	(0.63)	0.66	n/a	n/a
Unrealized gains (losses) for the period	0.15	(0.37)	0.06	n/a	n/a
Total increase (decrease) from operations²	0.74	(0.78)	0.87	n/a	n/a
Distributions:					
From net investment income (excluding Canadian dividends)	(0.02)	(0.03)	(0.09)	n/a	n/a
From Canadian dividends	(0.17)	(0.21)	(0.03)	n/a	n/a
From capital gains	(0.25)	—	(0.12)	n/a	n/a
Return of capital	—	—	—	n/a	n/a
Total annual distributions³	(0.44)	(0.24)	(0.24)	n/a	n/a
Net assets, end of period	10.37	9.82	10.08	n/a	n/a
Series S	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	10.03	10.39	10.33	10.29	10.24
Increase (decrease) from operations:					
Total revenue	0.30	0.31	0.32	0.31	0.32
Total expenses	—	—	—	—	—
Realized gains (losses) for the period	0.62	0.11	0.07	0.13	0.21
Unrealized gains (losses) for the period	0.16	(0.36)	0.10	(0.11)	0.13
Total increase (decrease) from operations²	1.08	0.06	0.49	0.33	0.66
Distributions:					
From net investment income (excluding Canadian dividends)	(0.03)	(0.05)	(0.22)	(0.11)	(0.16)
From Canadian dividends	(0.23)	(0.37)	(0.07)	(0.17)	(0.20)
From capital gains	(0.27)	—	(0.13)	—	(0.26)
Return of capital	—	—	—	—	—
Total annual distributions³	(0.53)	(0.42)	(0.42)	(0.28)	(0.62)
Net assets, end of period	10.59	10.03	10.39	10.33	10.29

CANADA LIFE CONSERVATIVE FOLIO FUND

(Formerly Conservative Folio Fund)

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RATIOS AND SUPPLEMENTAL DATA

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2021	2020	2019	2018	2017
Q Series (formerly Quadrus Series)					
Total net asset value (\$000) ¹	201,124	178,085	180,119	185,159	197,772
Securities outstanding (000) ¹	14,955	13,958	13,855	14,311	15,334
Management expense ratio (%) ²	2.25	2.25	2.24	2.24	2.29
Management expense ratio before waivers or absorptions (%) ²	2.25	2.25	2.24	2.24	2.29
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	13.45	12.76	13.00	12.94	12.90

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2021	2020	2019	2018	2017
H Series					
Total net asset value (\$000) ¹	6,033	3,268	881	1,898	4,394
Securities outstanding (000) ¹	571	326	86	185	430
Management expense ratio (%) ²	1.02	1.04	1.07	1.07	1.11
Management expense ratio before waivers or absorptions (%) ²	1.02	1.04	1.07	1.07	1.11
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	10.57	10.03	10.29	10.24	10.21

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2021	2020	2019	2018	2017
HW Series					
Total net asset value (\$000) ¹	4,528	2,678	697	n/a	n/a
Securities outstanding (000) ¹	437	273	69	n/a	n/a
Management expense ratio (%) ²	0.82	0.83	0.83	n/a	n/a
Management expense ratio before waivers or absorptions (%) ²	0.82	0.83	0.83	n/a	n/a
Trading expense ratio (%) ³	0.04	0.03	0.03	n/a	n/a
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	n/a	n/a
Net asset value per security (\$)	10.36	9.82	10.08	n/a	n/a

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2021	2020	2019	2018	2017
L Series					
Total net asset value (\$000) ¹	77,430	54,067	55,871	52,278	51,942
Securities outstanding (000) ¹	6,573	4,840	4,914	4,628	4,615
Management expense ratio (%) ²	1.96	1.96	1.96	1.96	1.97
Management expense ratio before waivers or absorptions (%) ²	1.96	1.96	1.96	1.96	1.97
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	11.78	11.17	11.37	11.30	11.26

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2021	2020	2019	2018	2017
N Series					
Total net asset value (\$000) ¹	96,188	19,018	17,405	19,711	10,620
Securities outstanding (000) ¹	8,065	1,683	1,487	1,693	916
Management expense ratio (%) ²	—	—	—	—	—
Management expense ratio before waivers or absorptions (%) ²	—	—	—	—	—
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	11.93	11.30	11.70	11.64	11.59
QF Series					
Total net asset value (\$000) ¹	6,835	4,884	5,917	3,841	1,440
Securities outstanding (000) ¹	670	505	597	389	146
Management expense ratio (%) ²	1.12	1.12	1.12	1.10	1.09
Management expense ratio before waivers or absorptions (%) ²	1.12	1.12	1.12	1.10	1.09
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	10.21	9.68	9.91	9.87	9.83

- (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.

CANADA LIFE CONSERVATIVE FOLIO FUND

(Formerly Conservative Folio Fund)

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RATIOS AND SUPPLEMENTAL DATA (cont'd)

QFW Series	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Total net asset value (\$000) ¹	1,980	639	71	n/a	n/a
Securities outstanding (000) ¹	191	65	7	n/a	n/a
Management expense ratio (%) ²	0.85	0.85	0.85	n/a	n/a
Management expense ratio before waivers or absorptions (%) ²	0.85	0.85	0.85	n/a	n/a
Trading expense ratio (%) ³	0.04	0.03	0.03	n/a	n/a
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	n/a	n/a
Net asset value per security (\$)	10.37	9.82	10.08	n/a	n/a

Series S	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017
Total net asset value (\$000) ¹	3,980	3,636	3,563	3,471	3,274
Securities outstanding (000) ¹	376	362	343	336	318
Management expense ratio (%) ²	0.03	0.03	0.03	0.03	0.03
Management expense ratio before waivers or absorptions (%) ²	0.03	0.03	0.03	0.03	0.03
Trading expense ratio (%) ³	0.04	0.03	0.03	0.02	0.03
Portfolio turnover rate (%) ⁴	66.30	17.24	24.71	20.28	40.80
Net asset value per security (\$)	10.59	10.03	10.39	10.33	10.29

Management Fees

The management fee for each applicable series is calculated and accrued daily as a percentage of its NAV. The Fund's management fees were used by Mackenzie in the pre-manager change period, and by CLIML thereafter, to pay for the costs of 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.

Quadrus Investment Services Ltd. ("Quadrus"), an affiliate of CLIML and Mackenzie, is the principal distributor for the Fund and is paid trailing commissions out of the management fees. In the pre-manager change period, Canada Life provided certain services to Mackenzie in connection with Mackenzie's portfolio management activities. Canada Life was responsible for paying certain administrative costs and all sales commissions, trailing commissions and any other compensation (collectively, "distribution-related payments") to registered dealers whose clients invest in the Fund. As such, Quadrus and Canada Life received a portion of the management fees that the Fund paid to Mackenzie. Approximately 77% of the total management fees that Mackenzie received from the Canada Life Mutual Funds during the pre-manager change period was paid under these arrangements.

Subsequent to the change in manager, CLIML used the management fees to fund distribution-related payments to Quadrus and to registered dealers and brokers whose clients invest in the Fund.

Mackenzie and CLIML used approximately 38% of the total management fee revenues received from all Canada Life Mutual Funds during the year to fund distribution-related payments to registered dealers and brokers. In comparison, such distribution-related payments for the Fund represented on average 47% of the management fees paid by all applicable series of the Fund during the year. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series. The higher proportion of distribution-related payments is primarily attributable to sales commissions related to gross sales of redemption charge securities of the Fund.

CANADA LIFE CONSERVATIVE FOLIO FUND

(Formerly Conservative Folio Fund)

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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 January 2, 2001

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)

Q Series securities are offered to investors investing a minimum of \$500. Before August 14, 2020, Q Series securities were known as Quadrus Series.

H Series securities are offered to investors investing a minimum of \$500, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee.

HW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee.

L Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000.

N Series securities are offered to investors investing a minimum of \$100,000, who have eligible minimum total holdings of \$500,000, and who have entered into an N type series account agreement with CLIML and Quadrus.

QF Series securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor.

QFW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor.

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.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, a low-load purchase option and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to CLIML if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees
Q Series ⁽²⁾	January 23, 2001	1.80%	0.21%
H Series	November 28, 2006	0.80%	0.15%
HW Series	August 7, 2018	0.60%	0.15%
L Series	December 16, 2011	1.60%	0.15%
N Series	October 5, 2011	— ⁽¹⁾	— ⁽¹⁾
QF Series	July 12, 2016	0.80%	0.21%
QFW Series	August 7, 2018	0.60%	0.15%
Series S	February 14, 2014	— ⁽³⁾	0.025%

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

(2) Before August 14, 2020, Q Series securities were known as Quadrus Series.

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