

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Canada Life Investment Management Ltd., as Manager of Canada Life Tactical Bond Fund (Portico) (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Canada Life Investment Management Ltd. is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Canada Life Investment Management Ltd.,  
Manager of the Fund



Steve Fiorelli  
Chief Executive Officer



Jeff Van Hoeve  
Chief Financial Officer

June 3, 2021

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Canada Life Tactical Bond Fund (Portico) (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise the statement of financial position as at March 31, 2021, and the statements of comprehensive income, changes in financial position and cash flows for the period then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2021, and its financial performance and its cash flows for the period then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information which comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## INDEPENDENT AUDITOR'S REPORT (cont'd)

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
June 3, 2021

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## STATEMENT OF FINANCIAL POSITION

at March 31 (in \$ 000 except per security amounts)

	2021
	\$
<b>ASSETS</b>	
<b>Current assets</b>	
Investments at fair value	256,349
Cash and cash equivalents	20,145
Accrued interest receivable	1,458
Dividends receivable	10
Accounts receivable for investments sold	2,254
Accounts receivable for securities issued	–
Due from manager	3
Margin on derivatives	649
Unrealized gains on derivative contracts	129
<b>Total assets</b>	<b>280,997</b>
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Accounts payable for investments purchased	11,484
Accounts payable for securities redeemed	1
Unrealized losses on derivative contracts	10
<b>Total liabilities</b>	<b>11,495</b>
<b>Net assets attributable to securityholders</b>	<b>269,502</b>

	Net assets attributable to securityholders (note 3)	
	per security	per series
	2021	2021
Q Series	9.40	104
H Series	9.57	2
HW Series	9.59	1
L Series	9.56	330
N Series	9.58	173
QF Series	9.57	172
QFW Series	9.59	1
Series R	9.58	268,719
		<b>269,502</b>

## STATEMENT OF COMPREHENSIVE INCOME

for the period ended March 31 (in \$ 000 except per security amounts)

	2021	
	\$	
<b>Income</b>		
Dividends	57	
Interest income	1,528	
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(1,807)	
Net unrealized gain (loss)	(6,335)	
Fee rebate income	3	
<b>Total income (loss)</b>	<b>(6,554)</b>	
<b>Expenses (note 6)</b>		
Management fees	17	
Management fee rebates	(2)	
Administration fees	2	
Commissions and other portfolio transaction costs	3	
Independent Review Committee fees	–	
Other	1	
<b>Expenses before amounts absorbed by Manager</b>	<b>21</b>	
Expenses absorbed by Manager	1	
<b>Net expenses</b>	<b>20</b>	
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>(6,574)</b>	
Foreign withholding taxes	–	
Foreign income taxes paid (recovered)	–	
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>(6,574)</b>	
	<b>Increase (decrease) in net assets attributable to securityholders from operations (note 3)</b>	
	<b>per security</b>	<b>per series</b>
	2021	2021
Q Series	(0.11)	(21)
H Series	(0.34)	1
HW Series	(0.35)	–
L Series	(1.00)	(9)
N Series	(0.32)	(5)
QF Series	(0.22)	(1)
QFW Series	(0.35)	–
Series R	(0.58)	(6,539)
		<b>(6,574)</b>

The accompanying notes are an integral part of these financial statements.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## STATEMENT OF CHANGES IN FINANCIAL POSITION

for the period ended March 31 (in \$ 000 except per security amounts)

	2021 Q Series	2021 H Series	2021 HW Series	2021 L Series	2021 N Series
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Beginning of period</b>	–	–	–	–	–
Increase (decrease) in net assets from operations	(21)	1	–	(9)	(5)
Distributions paid to securityholders:					
Investment income	(9)	–	–	(1)	(2)
Capital gains	–	–	–	–	–
Management fee rebates	(2)	–	–	–	–
Total distributions paid to securityholders	(11)	–	–	(1)	(2)
Security transactions:					
Proceeds from securities issued	5,161	1	1	339	204
Reinvested distributions	11	–	–	1	2
Payments on redemption of securities	(5,036)	–	–	–	(26)
Total security transactions	136	1	1	340	180
<b>Total increase (decrease) in net assets</b>	<b>104</b>	<b>2</b>	<b>1</b>	<b>330</b>	<b>173</b>
<b>End of period</b>	<b>104</b>	<b>2</b>	<b>1</b>	<b>330</b>	<b>173</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	–	–	–	–	–
Issued	516	–	–	34	21
Reinvested distributions	1	–	–	–	–
Redeemed	(506)	–	–	–	(3)
<b>Securities outstanding – end of period</b>	<b>11</b>	<b>–</b>	<b>–</b>	<b>34</b>	<b>18</b>
	<b>QF Series</b>	<b>QFW Series</b>	<b>Series R</b>	<b>Total</b>	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b>Beginning of period</b>	–	–	–	–	
Increase (decrease) in net assets from operations	(1)	–	(6,539)	(6,574)	
Distributions paid to securityholders:					
Investment income	–	–	(1,212)	(1,224)	
Capital gains	–	–	–	–	
Management fee rebates	–	–	–	(2)	
Total distributions paid to securityholders	–	–	(1,212)	(1,226)	
Security transactions:					
Proceeds from securities issued	190	1	277,011	282,908	
Reinvested distributions	–	–	223	237	
Payments on redemption of securities	(17)	–	(764)	(5,843)	
Total security transactions	173	1	276,470	277,302	
<b>Total increase (decrease) in net assets</b>	<b>172</b>	<b>1</b>	<b>268,719</b>	<b>269,502</b>	
<b>End of period</b>	<b>172</b>	<b>1</b>	<b>268,719</b>	<b>269,502</b>	
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>		
<b>Securities outstanding – beginning of period</b>	–	–	–		
Issued	20	–	28,094		
Reinvested distributions	–	–	22		
Redeemed	(2)	–	(78)		
<b>Securities outstanding – end of period</b>	<b>18</b>	<b>–</b>	<b>28,038</b>		

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# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## STATEMENT OF CASH FLOWS

for the period ended March 31 (in \$ 000 except per security amounts)

	2021
	\$
<b>Cash flows from operating activities</b>	
Net increase (decrease) in net assets attributable to securityholders from operations	(6,574)
Adjustments for:	
Net realized loss (gain) on investments	1,813
Change in net unrealized loss (gain) on investments	6,335
Purchase of investments	(71,300)
Proceeds from sale and maturity of investments	67,062
Change in accrued interest receivable	(1,458)
Change in dividends receivable	(10)
Change in due from manager	(3)
Change in margin on derivatives	(649)
<b>Net cash from operating activities</b>	<b>(4,784)</b>
<b>Cash flows from financing activities</b>	
Proceeds from securities issued	31,760
Payments on redemption of securities	(5,842)
Distributions paid net of reinvestments	(989)
<b>Net cash from financing activities</b>	<b>24,929</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>20,145</b>
Cash and cash equivalents at beginning of period	–
Effect of exchange rate fluctuations on cash and cash equivalents	–
<b>Cash and cash equivalents at end of period</b>	<b>20,145</b>
Cash	518
Cash equivalents	19,627
<b>Cash and cash equivalents at end of period</b>	<b>20,145</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>	
Dividends received	47
Foreign taxes paid	–
Interest received	70
Interest paid	–

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# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## SCHEDULE OF INVESTMENTS

As at March 31, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>					
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate - Non Convertible	200,000	208	204
407 International Inc. 2.59% 05-25-2032 Callable 2032	Canada	Corporate - Non Convertible	23,000	25	23
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate - Non Convertible	845,000	953	894
407 International Inc. 3.30% 03-27-2045 Callable 2044	Canada	Corporate - Non Convertible	309,000	333	309
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate - Non Convertible	257,000	296	274
407 International Inc. 2.84% 03-07-2050	Canada	Corporate - Non Convertible	1,009,000	1,005	925
Adtalem Global Education Inc. 5.50% 03-01-2028 144A	United States	Corporate - Non Convertible	USD 60,000	76	75
Aéroports de Montréal 3.03% 04-21-2050 Callable 2049	Canada	Corporate - Non Convertible	242,000	250	231
AIMCo Realty Investors LP 2.71% 06-01-2029 Callable 2029	Canada	Corporate - Non Convertible	1,066,000	1,137	1,092
Alectra Inc. 3.46% 04-12-2049 Callable 2048	Canada	Corporate - Non Convertible	195,000	223	204
Alexandria Real Estate Equities Inc. 2.00% 05-18-2032	United States	Corporate - Non Convertible	USD 72,000	91	84
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	32,000	36	35
Alibaba Group Holding Ltd. 2.70% 02-09-2041	China	Corporate - Non Convertible	USD 400,000	493	461
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate - Non Convertible	95,000	95	93
Allied Properties Real Estate Investment Trust 3.11% 04-08-2027	Canada	Corporate - Non Convertible	51,000	54	53
AltaGas Ltd. 2.61% 12-16-2022	Canada	Corporate - Non Convertible	179,000	185	184
AltaGas Ltd. 4.40% 03-15-2024 Callable 2023	Canada	Corporate - Non Convertible	120,000	131	130
AltaGas Ltd. 2.16% 06-10-2025	Canada	Corporate - Non Convertible	48,000	50	49
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate - Non Convertible	205,000	205	204
AltaGas Ltd. 2.08% 05-30-2028	Canada	Corporate - Non Convertible	483,000	483	469
AltaLink LP 3.67% 11-06-2023	Canada	Corporate - Non Convertible	1,195,000	1,297	1,286
Apple Inc. 2.51% 08-19-2024 Callable 2024	United States	Corporate - Non Convertible	334,000	354	351
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate - Non Convertible	367,000	367	368
ARC Resources Ltd. 3.47% 03-10-2031	Canada	Corporate - Non Convertible	370,000	370	369
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	835,000	905	905
Artis Real Estate Investment Trust 3.82% 09-18-2023	Canada	Corporate - Non Convertible	50,000	50	51
AT&T Inc. F/R 03-25-2024	United States	Corporate - Non Convertible	USD 179,000	224	225
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate - Non Convertible	701,000	743	737
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	688,000	744	735
Bank of America Corp. F/R 04-04-2029	United States	Corporate - Non Convertible	420,000	420	424
Bank of Montreal 2.85% 03-06-2024	Canada	Corporate - Non Convertible	537,000	570	565
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate - Non Convertible	463,000	488	481
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	643,000	643	646
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	838,000	847	842
Bank of Montreal F/R 06-01-2027 Callable 2022	Canada	Corporate - Non Convertible	1,402,000	1,438	1,433
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	544,000	576	570
Bank of Montreal F/R 06-17-2030 Callable 2025	Canada	Corporate - Non Convertible	214,000	220	217
Bank of Montreal F/R 11-26-2080	Canada	Corporate - Non Convertible	390,000	405	409
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	797,000	822	820
The Bank of Nova Scotia 2.38% 05-01-2023	Canada	Corporate - Non Convertible	1,427,000	1,481	1,474
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	515,000	542	536
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate - Non Convertible	312,000	327	322
BCE Inc. 3.50% 09-30-2050 Callable 2050	Canada	Corporate - Non Convertible	433,000	435	399
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate - Non Convertible	195,000	195	195
bclMC Realty Corp. 2.84% 06-03-2025 Callable 2025	Canada	Corporate - Non Convertible	240,000	258	254
bclMC Realty Corp. 1.07% 02-04-2026	Canada	Corporate - Non Convertible	239,000	238	233
bclMC Realty Corp. 1.75% 07-24-2030 Callable 2030	Canada	Corporate - Non Convertible	50,000	50	47
Bell Canada Inc. 3.35% 03-22-2023	Canada	Corporate - Non Convertible	421,000	442	439
Bell Canada Inc. 2.75% 01-29-2025 Callable 2024	Canada	Corporate - Non Convertible	1,239,000	1,318	1,299
Bell Canada Inc. 3.35% 03-12-2025 Callable 2025	Canada	Corporate - Non Convertible	260,000	282	278
Bell Canada Inc. 1.65% 08-16-2027 Callable 2027	Canada	Corporate - Non Convertible	150,000	150	145
Bell Canada Inc. 2.50% 05-14-2030	Canada	Corporate - Non Convertible	24,000	25	23

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Bell Canada Inc. 4.45% 02-27-2047 Callable 2046	Canada	Corporate - Non Convertible	41,000	47	44
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed	136,310	136	136
BMW Canada Inc. 0.99% 01-14-2025	Germany	Corporate - Non Convertible	115,000	115	114
Bow Centre Street 3.80% 06-13-2023	Canada	Corporate - Non Convertible	228,000	233	232
British Columbia Ferry Services Inc. 4.70% 10-23-2043	Canada	Corporate - Non Convertible	83,000	110	103
Brookfield BPY Holdings Inc. 3.93% 01-15-2027 Callable 2026	United States	Corporate - Non Convertible	1,041,000	1,074	1,067
Brookfield Infrastructure Finance ULC 3.32% 02-22-2024 Callable 2023	Canada	Corporate - Non Convertible	297,000	316	315
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	848,000	969	937
Brookfield Infrastructure Finance ULC 3.41% 10-09-2029 Callable 2029	Canada	Corporate - Non Convertible	531,000	575	554
Brookfield Property Finance ULC 4.12% 10-19-2021	Canada	Corporate - Non Convertible	135,000	137	137
Brookfield Property Finance ULC 4.35% 07-03-2023 Callable 2023	Canada	Corporate - Non Convertible	487,000	507	509
Brookfield Property Finance ULC 4.30% 03-01-2024 Callable 2024	Canada	Corporate - Non Convertible	1,711,000	1,790	1,799
Brookfield Renewable Energy Partners ULC 3.75% 06-02-2025 Callable 2025	Canada	Corporate - Non Convertible	116,000	128	125
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	194,000	217	211
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	498,000	550	530
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	741,000	863	810
Brookfield Renewable Partners ULC 3.33% 08-13-2050 Callable 2050	Canada	Corporate - Non Convertible	246,000	240	228
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	349,000	391	383
Bruce Power LP 4.00% 06-21-2030 Callable 2030	Canada	Corporate - Non Convertible	440,000	500	481
Canada Housing Trust 2.40% 12-15-2022	Canada	Federal Government	1,128,000	1,173	1,169
Canada Housing Trust 1.95% 12-15-2025	Canada	Federal Government	1,005,000	1,068	1,040
Canada Housing Trust F/R 03-15-2026	Canada	Federal Government	1,470,000	1,475	1,472
Canada Housing Trust 1.75% 06-15-2030	Canada	Federal Government	770,000	780	762
Canadian Imperial Bank of Commerce F/R 03-04-2025	Canada	Corporate - Non Convertible	841,000	841	841
Canadian Imperial Bank of Commerce 2.00% 04-17-2025	Canada	Corporate - Non Convertible	2,036,000	2,114	2,085
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate - Non Convertible	1,101,000	1,096	1,074
Canadian Imperial Bank of Commerce F/R 06-19-2029 Callable 2024	Canada	Corporate - Non Convertible	221,000	234	232
Canadian Imperial Bank of Commerce 4.38% 10-28-2080	Canada	Corporate - Non Convertible	342,000	354	357
Canadian Mortgage Pools 1.75% 06-01-2024	Canada	Mortgage Backed	620,316	639	638
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	224,000	249	239
Canadian National Railway Co. 3.60% 02-08-2049 Callable 2048	Canada	Corporate - Non Convertible	274,000	314	290
Canadian Natural Resources Ltd. 3.31% 02-11-2022	Canada	Corporate - Non Convertible	2,269,000	2,329	2,318
Canadian Natural Resources Ltd. 1.45% 11-16-2023	Canada	Corporate - Non Convertible	56,000	56	56
Canadian Natural Resources Ltd. 3.42% 12-01-2026 Callable 2026	Canada	Corporate - Non Convertible	920,000	991	975
Canadian Natural Resources Ltd. 2.50% 01-17-2028	Canada	Corporate - Non Convertible	438,000	445	438
Canadian Tire Corp. Ltd. 3.17% 07-06-2023 Callable 2023	Canada	Corporate - Non Convertible	463,000	487	486
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate - Non Convertible	219,000	222	222
Canadian Western Bank 2.61% 01-30-2025 Callable 2024	Canada	Corporate - Non Convertible	1,216,000	1,277	1,265
Canadian Western Bank F/R 04-30-2081	Canada	Corporate - Non Convertible	135,000	140	145
Canadian Western Bank F/R 07-31-2081	Canada	Corporate - Non Convertible	240,000	240	242
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	229,000	252	249
Capital Power Corp. 3.15% 10-01-2032	Canada	Corporate - Non Convertible	34,000	34	33

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
CARDS II Trust 2.43% 11-15-2024	Canada	Corporate - Non Convertible	1,125,000	1,189	1,174
Cascades Inc. 5.13% 01-15-2025 Callable 2022	Canada	Corporate - Non Convertible	223,000	234	233
Central 1 Credit Union 2.58% 12-06-2023	Canada	Corporate - Non Convertible	771,000	805	802
Charter Communications Operating LLC 3.50% 06-01-2041	United States	Corporate - Non Convertible	USD 80,000	101	95
Choice Properties Real Estate Investment Trust 3.56% 09-09-2024 Callable 2024	Canada	Corporate - Non Convertible	1,314,000	1,419	1,407
City of Montreal 3.50% 09-01-2023	Canada	Municipal Governments	471,000	506	504
City of Montreal 3.15% 09-01-2028	Canada	Provincial Governments	1,240,000	1,381	1,345
City of Ottawa 3.05% 05-10-2039	Canada	Municipal Governments	573,000	631	589
City of Ottawa 3.25% 11-10-2047	Canada	Municipal Governments	115,000	125	121
City of Toronto 5.20% 06-01-2040	Canada	Municipal Governments	1,944,000	2,778	2,615
Coast Capital Savings Credit Union F/R 05-03-2028 Callable 2023	Canada	Corporate - Non Convertible	511,000	544	543
Crombie Real Estate Investment Trust 3.68% 08-26-2026 Callable 2026	Canada	Corporate - Non Convertible	170,000	184	181
CT Real Estate Investment Trust 2.37% 01-06-2031	Canada	Corporate - Non Convertible	265,000	262	250
CU Inc. 4.09% 09-02-2044 Callable	Canada	Corporate - Non Convertible	433,000	525	490
CU Inc. 2.61% 09-28-2050	Canada	Corporate - Non Convertible	40,000	40	35
Dollarama Inc. 2.34% 07-22-2021	Canada	Corporate - Non Convertible	1,407,000	1,421	1,415
Dollarama Inc. 2.20% 11-10-2022 Callable 2022	Canada	Corporate - Non Convertible	881,000	905	902
Dollarama Inc. 1.51% 09-20-2027 Callable 2027	Canada	Corporate - Non Convertible	247,000	246	238
The Empire Life Insurance Co. F/R 12-16-2026 Callable 2021	Canada	Corporate - Non Convertible	405,000	414	413
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate - Non Convertible	133,000	133	134
Empresas CMPC SA 3.00% 04-06-2031	Chile	Corporate - Non Convertible	USD 240,000	299	299
Enbridge Gas Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	546,000	615	568
Enbridge Inc. 4.24% 08-27-2042	Canada	Corporate - Non Convertible	1,363,000	1,451	1,380
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	1,171,000	1,226	1,223
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	179,000	205	201
Enbridge Pipelines Inc. 3.79% 08-17-2023 Callable	Canada	Corporate - Non Convertible	514,000	550	546
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate - Non Convertible	29,000	29	29
EPCOR Utilities Inc. 4.55% 02-28-2042	Canada	Corporate - Non Convertible	49,000	63	59
Equitable Bank 1.77% 09-21-2023	Canada	Corporate - Non Convertible	82,000	82	83
Equitable Bank 1.88% 11-26-2025	Canada	Corporate - Non Convertible	3,151,000	3,154	3,101
The Estee Lauder Cos. Inc. 1.95% 03-15-2031	United States	Corporate - Non Convertible	USD 260,000	327	316
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	Canada	Corporate - Non Convertible	699,000	701	698
Federation des Caisses Desjardins 1.09% 01-21-2026	Canada	Corporate - Non Convertible	2,270,000	2,260	2,214
First Capital Realty Inc. 3.46% 01-22-2027 Callable 2026	Canada	Corporate - Non Convertible	1,039,000	1,085	1,081
First National Financial Corp. 2.96% 11-17-2025	Canada	Corporate - Non Convertible	908,000	916	919
Fortis Inc. 2.85% 12-12-2023 Callable 2023	Canada	Corporate - Non Convertible	265,000	279	278
FortisAlberta Inc. 3.67% 09-09-2047 Callable 2047	Canada	Corporate - Non Convertible	427,000	492	456
GFL Environmental Inc. 3.50% 09-01-2028 144A	Canada	Corporate - Non Convertible	USD 5,000	6	6
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	482,000	520	506
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate - Non Convertible	368,000	370	364
Glacier Credit Card Trust 2.28% 06-06-2024	Canada	Corporate - Non Convertible	1,970,000	2,056	2,043
Go Daddy Operating Co. LLC 3.50% 03-01-2029 144A	United States	Corporate - Non Convertible	USD 5,000	6	6
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate - Non Convertible	800,000	800	781
Government of Canada 1.00% 09-01-2022	Canada	Federal Government	1,878,000	1,902	1,900
Government of Canada 2.00% 09-01-2023	Canada	Federal Government	1,388,000	1,450	1,444
Government of Canada 1.50% 09-01-2024	Canada	Federal Government	2,974,000	3,094	3,068
Government of Canada 2.25% 06-01-2025	Canada	Federal Government	549,000	589	583
Government of Canada 0.50% 09-01-2025	Canada	Federal Government	3,737,000	3,727	3,676
Government of Canada 1.50% 06-01-2026	Canada	Federal Government	2,664,000	2,800	2,732



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Government of Canada 1.00% 06-01-2027	Canada	Federal Government	1,827,000	1,849	1,813
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	648,000	718	681
Government of Canada 1.50% 12-01-2044 Real Return	Canada	Federal Government	563,000	921	861
Government of Canada 0.50% 12-01-2050 Real Return	Canada	Federal Government	965,000	1,206	1,107
Government of Canada 2.00% 12-01-2051	Canada	Federal Government	680,000	684	685
Granite Real Estate Investment Trust 3.06% 06-04-2027	Canada	Corporate - Non Convertible	435,000	467	456
Granite Real Estate Investment Trust 2.38% 12-18-2030	Canada	Corporate - Non Convertible	132,000	131	126
Greater Toronto Airports Authority 3.04% 09-21-2022	Canada	Corporate - Non Convertible	954,000	986	982
Greater Toronto Airports Authority 1.54% 05-03-2028	Canada	Corporate - Non Convertible	33,000	33	32
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	789,000	789	742
Greater Toronto Airports Authority 5.63% 06-07-2040 Callable	Canada	Corporate - Non Convertible	897,000	1,269	1,199
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate - Non Convertible	507,000	546	539
H&R Real Estate Investment Trust 2.91% 06-02-2026	Canada	Corporate - Non Convertible	554,000	564	556
H&R Real Estate Investment Trust 2.63% 02-19-2027	Canada	Corporate - Non Convertible	224,000	225	220
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	489,000	511	507
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	208,000	218	215
Honda Canada Finance Inc. 2.54% 03-01-2023	Canada	Corporate - Non Convertible	1,732,000	1,799	1,791
Honda Canada Finance Inc. 3.18% 08-28-2023	Canada	Corporate - Non Convertible	254,000	270	268
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate - Non Convertible	218,000	218	218
Honda Canada Finance Inc. 2.50% 06-04-2024	Canada	Corporate - Non Convertible	810,000	852	845
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate - Non Convertible	50,000	50	49
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate - Non Convertible	230,000	230	223
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	2,777,000	2,842	2,833
HSBC Bank Canada 2.25% 09-15-2022	Canada	Corporate - Non Convertible	344,000	354	352
Husky Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate - Non Convertible	1,149,000	1,162	1,177
Hydro One Inc. 3.20% 01-13-2022	Canada	Corporate - Non Convertible	720,000	740	736
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	558,000	590	585
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	153,000	179	166
Hydro One Ltd. 1.41% 10-15-2027 Callable 2027	Canada	Corporate - Non Convertible	300,000	300	291
Hydro-Quebec 4.00% 02-15-2055	Canada	Provincial Governments	872,000	1,214	1,102
iA Financial Corp. Inc. F/R 02-21-2030 Callable 2025	Canada	Corporate - Non Convertible	150,000	156	154
Industrial Alliance Insurance and Financial Services Inc. F/R 02-23-2027 Callable 2022	Canada	Corporate - Non Convertible	24,000	25	24
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	89,000	89	90
Inter Pipeline Ltd. 3.776% 05-30-2022	Canada	Corporate - Non Convertible	709,000	736	733
Inter Pipeline Ltd. 2.61% 09-13-2023 Callable MTN	Canada	Corporate - Non Convertible	1,135,000	1,174	1,172
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	491,000	524	518
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	197,000	205	209
International Bank for Reconstruction and Development 1.95% 09-20-2029	Supra - National	n/a	527,000	555	530
John Deere Financial Inc. 1.34% 09-08-2027	United States	Corporate - Non Convertible	20,000	20	19
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate - Non Convertible	800,000	800	794
Keyera Corp. F/R 03-10-2081	Canada	Corporate - Non Convertible	300,000	300	302
Kruger Packaging Holdings LP 6.00% 06-01-2026 Callable 2022	Canada	Corporate - Non Convertible	227,000	244	242
Kruger Products LP 5.38% 04-09-2029	Canada	Corporate - Non Convertible	55,000	55	55
Laurentian Bank of Canada 2.55% 06-20-2022	Canada	Corporate - Non Convertible	855,000	876	875
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate - Non Convertible	255,000	255	253
Laurentian Bank of Canada F/R 06-22-2027 Callable 2022	Canada	Corporate - Non Convertible	1,706,000	1,755	1,756
Lloyds Banking Group PLC 3.50% 02-03-2025	United Kingdom	Corporate - Non Convertible	865,000	933	927
Loblaw Companies Ltd. 4.86% 09-12-2023 Callable	Canada	Corporate - Non Convertible	1,013,000	1,111	1,101
Loblaw Companies Ltd. 6.54% 02-17-2033 Callable	Canada	Corporate - Non Convertible	397,000	532	510

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<b>BONDS (cont'd)</b>					
Manulife Bank of Canada 1.50% 06-25-2025	Canada	Corporate - Non Convertible	49,000	50	49
Manulife Bank of Canada 1.34% 02-26-2026	Canada	Corporate - Non Convertible	490,000	490	483
Manulife Finance (Delaware) LP 5.06% 12-15-2041	Canada	Corporate - Non Convertible	1,062,000	1,305	1,263
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	2,070,000	2,209	2,191
Manulife Financial Corp. 2.82% 05-13-2035	Canada	Corporate - Non Convertible	703,000	737	708
Manulife Financial Corp. 3.38% 06-19-2081	Canada	Corporate - Non Convertible	657,000	659	653
Mastercard Inc. 1.90% 03-15-2031	United States	Corporate - Non Convertible	USD 160,000	202	198
MCAP Commercial LP 3.74% 08-25-2025	Canada	Corporate - Non Convertible	937,000	971	974
MCAP Commercial LP 3.38% 11-26-2027	Canada	Corporate - Non Convertible	466,000	470	467
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	511,000	553	545
Metro Inc. 3.39% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	1,000,000	1,119	1,079
Metro Inc. 5.03% 12-01-2044 Callable 2044	Canada	Corporate - Non Convertible	104,000	131	123
Metro Inc. 3.41% 02-28-2050 Callable 2049	Canada	Corporate - Non Convertible	378,000	379	350
Morgan Stanley F/R 03-21-2025	United States	Corporate - Non Convertible	880,000	880	880
Morguard Corp. 4.40% 09-28-2023	Canada	Corporate - Non Convertible	150,000	150	153
Muskat Falls/Labrador Transmission Assets Funding Trust 3.83% 06-01-2037	Canada	Federal Government	1,702,000	2,162	2,015
Muskat Falls 3.86% 12-01-2048	Canada	Federal Government	2,343,000	3,184	2,875
National Australia Bank Ltd. F/R 06-12-2030 Callable 2025	Australia	Corporate - Non Convertible	1,422,000	1,507	1,496
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	474,000	484	483
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	756,000	806	799
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	761,000	808	797
National Bank of Canada F/R 08-18-2026 Callable 2025	Canada	Corporate - Non Convertible	25,000	25	25
National Bank of Canada 3.18% 02-01-2028 Callable 2023	Canada	Corporate - Non Convertible	632,000	660	657
National Bank of Canada F/R 11-15-2080	Canada	Corporate - Non Convertible	550,000	562	569
Nissan Canada Inc. 1.63% 03-18-2024	Canada	Corporate - Non Convertible	198,000	198	198
North West Redwater Partnership/NWR Financing Co. Ltd. 3.70% 02-23-2043 Callable 2042	Canada	Corporate - Non Convertible	150,000	148	148
North West Redwater Partnership 3.20% 04-24-2026 Callable 2026	Canada	Corporate - Non Convertible	644,000	696	682
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	453,000	470	469
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate - Non Convertible	652,000	704	677
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	237,000	274	261
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate - Non Convertible	231,000	257	245
Parkland Corp. of Canada 4.50% 10-01-2029 144A	Canada	Corporate - Non Convertible	USD 860,000	1,083	1,085
Parkland Corp. 4.38% 03-26-2029	Canada	Corporate - Non Convertible	1,090,000	1,090	1,090
Parkland Fuel Corp. 6.00% 06-23-2028 Callable 2023	Canada	Corporate - Non Convertible	388,000	416	417
Pembina Pipeline Corp. 2.56% 06-01-2023	Canada	Corporate - Non Convertible	856,000	888	885
Pembina Pipeline Corp. 2.99% 01-22-2024 Callable 2023	Canada	Corporate - Non Convertible	709,000	747	743
Pembina Pipeline Corp. 3.71% 08-11-2026 Callable 2026	Canada	Corporate - Non Convertible	23,000	25	25
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	338,000	379	370
Pembina Pipeline Corp. 4.81% 03-25-2044	Canada	Corporate - Non Convertible	110,000	121	117
Pembina Pipeline Corp. 4.74% 01-21-2047 Callable 2046 MTN	Canada	Corporate - Non Convertible	110,000	121	116
Pembina Pipeline Corp. 4.75% 03-26-2048 Callable 2047	Canada	Corporate - Non Convertible	140,000	154	147
Pembina Pipeline Corp. 4.67% 05-28-2050	Canada	Corporate - Non Convertible	40,000	42	42
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate - Non Convertible	147,000	146	143
Peoples Trust 1.91% 09-01-2029	Canada	Mortgage Backed	421,608	429	416
Province of Alberta 2.55% 06-01-2027	Canada	Provincial Governments	2,337,000	2,529	2,458
Province of British Columbia 2.30% 06-18-2026	Canada	Provincial Governments	473,000	503	496
Province of British Columbia 2.20% 06-18-2030	Canada	Provincial Governments	2,531,000	2,680	2,559
Province of British Columbia 1.55% 06-18-2031	Canada	Provincial Governments	1,870,000	1,753	1,760
Province of British Columbia 4.95% 06-18-2040	Canada	Provincial Governments	550,000	796	740
Province of British Columbia 3.20% 06-18-2044	Canada	Provincial Governments	2,109,000	2,477	2,285

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<b>BONDS (cont'd)</b>					
Province of British Columbia 2.95% 06-18-2050	Canada	Provincial Governments	1,359,000	1,442	1,424
Province of Manitoba 2.75% 06-02-2029	Canada	Provincial Governments	1,173,000	1,293	1,239
Province of Manitoba 3.25% 09-05-2029	Canada	Provincial Governments	31,000	36	34
Province of Manitoba 2.85% 09-05-2046	Canada	Provincial Governments	2,359,000	2,530	2,332
Province of New Brunswick 4.65% 09-26-2035	Canada	Provincial Governments	56,000	76	70
Province of Newfoundland and Labrador 1.25% 06-02-2027	Canada	Provincial Governments	1,673,000	1,671	1,628
Province of Nova Scotia 2.10% 06-01-2027	Canada	Provincial Governments	578,000	611	595
Province of Nova Scotia 3.15% 12-01-2051	Canada	Provincial Governments	1,214,000	1,410	1,296
Province of Ontario 1.85% 02-01-2027	Canada	Provincial Governments	210,000	218	214
Province of Ontario 2.05% 06-02-2030	Canada	Provincial Governments	1,774,000	1,852	1,763
Province of Ontario 1.35% 12-02-2030	Canada	Provincial Governments	8,498,000	8,237	7,884
Province of Ontario 4.65% 06-02-2041	Canada	Provincial Governments	806,000	1,085	1,046
Province of Ontario 2.65% 12-02-2050	Canada	Provincial Governments	10,000	10	10
Province of Ontario 1.90% 12-02-2051	Canada	Provincial Governments	9,640,000	7,987	7,949
Province of Quebec 1.90% 09-01-2030	Canada	Provincial Governments	3,207,000	3,321	3,153
Province of Quebec 1.50% 09-01-2031	Canada	Provincial Governments	1,207,000	1,187	1,128
Province of Quebec 4.25% 12-01-2043	Canada	Provincial Governments	2,356,000	3,189	2,953
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	940,000	1,059	1,070
Province of Quebec 3.10% 12-01-2051	Canada	Provincial Governments	1,614,000	1,852	1,734
Province of Saskatchewan 3.05% 12-02-2028	Canada	Provincial Governments	857,000	964	927
Province of Saskatchewan 3.40% 02-03-2042	Canada	Provincial Governments	50,000	61	54
PSP Capital Inc. 2.09% 11-22-2023 Series 9	Canada	Federal Government	943,000	985	979
PSP Capital Inc. 2.05% 01-15-2030	Canada	Federal Government	1,036,000	1,085	1,036
Reliance LP 3.75% 03-15-2026 Callable 2026	Canada	Corporate - Non Convertible	172,000	187	184
Reliance LP 2.68% 12-01-2027	Canada	Corporate - Non Convertible	320,000	331	324
Reliance LP 2.67% 08-01-2028	Canada	Corporate - Non Convertible	319,000	319	319
RioCan Real Estate Investment Trust 2.58% 02-12-2025	Canada	Corporate - Non Convertible	1,190,000	1,219	1,220
RioCan Real Estate Investment Trust 2.36% 03-10-2027	Canada	Corporate - Non Convertible	246,000	247	244
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate - Non Convertible	90,000	101	97
Rogers Communications Inc. 6.68% 11-04-2039	Canada	Corporate - Non Convertible	152,000	220	202
Rogers Communications Inc. 6.11% 08-25-2040	Canada	Corporate - Non Convertible	101,000	139	127
Royal Bank of Canada 2.00% 03-21-2022	Canada	Corporate - Non Convertible	862,000	877	876
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate - Non Convertible	825,000	876	865
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate - Non Convertible	642,000	678	660
Royal Bank of Canada F/R 12-23-2029 Callable 2024	Canada	Corporate - Non Convertible	3,210,000	3,408	3,368
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate - Non Convertible	140,000	144	142
Royal Bank of Canada F/R 01-28-2033	Canada	Corporate - Non Convertible	500,000	497	480
Royal Bank of Canada F/R 11-24-2080 Callable 2025	Canada	Corporate - Non Convertible	365,000	382	387
Russel Metals Inc. 5.75% 10-27-2025	Canada	Corporate - Non Convertible	483,000	507	510
Sagen MI Canada Inc. 3.26% 03-05-2031	Canada	Corporate - Non Convertible	529,000	526	522
Sagen MI Canada Inc. F/R 03-24-2081	Canada	Corporate - Non Convertible	204,000	204	205
Saputo Inc. 1.94% 06-13-2022 Callable 2022	Canada	Corporate - Non Convertible	527,000	536	534
Saputo Inc. 2.24% 06-16-2027 Callable 2027	Canada	Corporate - Non Convertible	430,000	445	432
Scotia Capital Inc. 1.74% 01-01-2025	Canada	Mortgage Backed	365,685	378	376
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed	524,614	534	532
Scotia Capital Inc. 0.55% 01-01-2026	Canada	Mortgage Backed	1,233,357	1,221	1,213
Shaw Communications Inc. 3.80% 11-02-2023 Callable 2023	Canada	Corporate - Non Convertible	23,000	25	25
Shaw Communications Inc. 6.75% 11-09-2039	Canada	Corporate - Non Convertible	205,000	290	273
SmartCentres Real Estate Investment Trust 2.76% 06-23-2021	Canada	Corporate - Non Convertible	168,000	169	169
SmartCentres Real Estate Investment Trust 1.74% 12-16-2025	Canada	Corporate - Non Convertible	258,000	257	254

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<b>BONDS (cont'd)</b>					
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate - Non Convertible	752,000	797	775
Summit Industrial Income Real Estate Investment Trust 2.15% 09-17-2025 Callable 2025	Canada	Corporate - Non Convertible	297,000	301	299
Summit Industrial Income Real Estate Investment Trust 1.82% 04-01-2026	Canada	Corporate - Non Convertible	263,000	263	259
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	1,137,000	1,180	1,174
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	1,944,000	2,033	2,016
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate - Non Convertible	23,000	24	24
Sun Life Financial Inc. F/R 10-01-2035	Canada	Corporate - Non Convertible	557,000	552	528
Suncor Energy Inc. 3.00% 09-14-2026 MTN	Canada	Corporate - Non Convertible	404,000	432	425
Suncor Energy Inc. 5.00% 04-09-2030 Callable 2030	Canada	Corporate - Non Convertible	269,000	321	311
Suncor Energy Inc. 5.39% 03-26-2037 Callable	Canada	Corporate - Non Convertible	1,057,000	1,276	1,237
Suncor Energy Inc. 3.95% 03-04-2051	Canada	Corporate - Non Convertible	334,000	329	321
Superior Plus LP 5.25% 02-27-2024 Callable 2021	Canada	Corporate - Non Convertible	1,086,000	1,121	1,120
Switch Ltd. 3.75% 09-15-2028 144A	United States	Corporate - Non Convertible	USD 15,000	19	19
TELUS Corp. 2.75% 07-08-2026	Canada	Corporate - Non Convertible	559,000	596	582
TELUS Corp. 2.35% 01-27-2028 Callable 2027	Canada	Corporate - Non Convertible	271,000	281	272
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	271,000	286	286
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate - Non Convertible	240,000	255	249
TELUS Corp. 2.05% 10-07-2030	Canada	Corporate - Non Convertible	787,000	759	736
TELUS Corp. 4.40% 04-01-2043 Callable	Canada	Corporate - Non Convertible	180,000	199	189
TELUS Corp. 4.85% 04-05-2044	Canada	Corporate - Non Convertible	83,000	99	93
TELUS Corp. 3.95% 02-16-2050	Canada	Corporate - Non Convertible	375,000	398	369
TELUS Corp. 4.10% 04-05-2051	Canada	Corporate - Non Convertible	70,000	70	71
Teranet Holdings LP 3.54% 06-11-2025	Canada	Corporate - Non Convertible	474,000	507	503
Terex Corp. 5.00% 05-15-2029 144A	United States	Corporate - Non Convertible	USD 80,000	100	104
TMX Group Ltd 2.02% 02-12-2031	Canada	Corporate - Non Convertible	155,000	154	148
The Toronto-Dominion Bank 1.94% 03-13-2025	Canada	Corporate - Non Convertible	884,000	918	904
The Toronto-Dominion Bank 1.13% 12-09-2025	Canada	Corporate - Non Convertible	639,000	639	626
The Toronto-Dominion Bank 1.89% 03-08-2028	Canada	Corporate - Non Convertible	1,580,000	1,580	1,565
The Toronto-Dominion Bank F/R 09-14-2028 Callable 2023	Canada	Corporate - Non Convertible	1,049,000	1,121	1,114
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate - Non Convertible	277,000	297	293
The Toronto-Dominion Bank F/R 01-26-2032 Callable 2027	Canada	Corporate - Non Convertible	1,070,000	1,157	1,127
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate - Non Convertible	116,000	115	112
Toyota Credit Canada Inc. 1.18% 02-23-2026	Canada	Corporate - Non Convertible	256,000	256	250
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate - Non Convertible	USD 183,000	229	229
TransCanada PipeLines Ltd. 3.80% 04-05-2027 Callable 2027	Canada	Corporate - Non Convertible	794,000	884	863
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	116,000	123	119
TransCanada PipeLines Ltd. 4.18% 07-03-2048 Callable 2048	Canada	Corporate - Non Convertible	125,000	135	126
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate - Non Convertible	737,000	737	712
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	1,207,000	1,232	1,235
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	524,000	598	552
United States Treasury 0.25% 02-15-2050 Inflation Indexed	United States	Foreign Governments	USD 1,831,000	2,646	2,400
Vancouver Airport Authority 1.76% 09-20-2030 Callable 2030	Canada	Corporate - Non Convertible	6,000	6	6
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate - Non Convertible	USD 229,000	287	288
Verizon Communications Inc. 2.38% 03-22-2028	United States	Corporate - Non Convertible	580,000	579	583
Verizon Communications Inc. 2.55% 03-21-2031	United States	Corporate - Non Convertible	USD 160,000	200	200
Verizon Communications Inc. 3.55% 03-22-2051	United States	Corporate - Non Convertible	USD 70,000	87	89
Verizon Communications Inc. 4.05% 03-22-2051	United States	Corporate - Non Convertible	220,000	219	224
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	1,126,000	1,221	1,196

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Videotron Ltd. 3.13% 01-15-2031	Canada	Corporate - Non Convertible	180,000	180	174
The Walt Disney Co. 3.06% 03-30-2027	United States	Corporate - Non Convertible	1,256,000	1,330	1,329
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	612,000	652	640
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	189,000	203	199
Wells Fargo & Co. F/R 03-15-2169	United States	Corporate - Non Convertible	USD 134,000	171	170
Welltower Inc. 2.95% 01-15-2027 Callable 2026	United States	Corporate - Non Convertible	346,000	359	357
<b>Total bonds</b>				<b>253,442</b>	<b>247,337</b>
<b>EQUITIES</b>					
BCE Inc. Pfd. Series AA	Canada	Telecommunication Services	3,798	59	62
BCE Inc. Pfd. Series AJ	Canada	Telecommunication Services	1,667	25	27
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	2,100	53	54
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	3,201	80	81
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	1,540	38	39
Brookfield Renewable Partners LP Pfd. Series 9	Canada	Utilities	87	2	2
Emera Inc. Pfd. Series J	Canada	Utilities	825	21	21
TC Energy Corp. Pfd. Series 15	Canada	Energy	9,695	245	245
TransAlta Corp. Pfd. Series A	Canada	Utilities	3,154	40	42
TransCanada Corp. 5.50% Cum. Pfd Series 13	Canada	Energy	1,647	42	42
<b>Total equities</b>				<b>605</b>	<b>615</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
BMO Emerging Markets Bond Hedged to CAD Index ETF	Canada	Exchange-Traded Funds/Notes	74,749	1,165	1,129
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	Canada	Exchange-Traded Funds/Notes	98,296	1,300	1,295
<sup>1</sup> Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	8,015	779	759
<sup>1</sup> Mackenzie Emerging Markets Local Currency Bond Index ETF	United States	Exchange-Traded Funds/Notes	58,614	5,504	5,214
<b>Total exchange-traded funds/notes</b>				<b>8,748</b>	<b>8,397</b>
Transaction costs				(2)	–
<b>Total investments</b>				<b>262,793</b>	<b>256,349</b>
Derivative instruments (see schedule of derivative instruments)					119
Cash and cash equivalents					20,145
Other assets less liabilities					(7,111)
<b>Net assets attributable to securityholders</b>					<b>269,502</b>

<sup>1</sup> This exchange-traded fund is managed by an affiliate of CLIML.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2021

<b>Portfolio Allocation</b>	<b>% of NAV</b>
Bonds	91.8
<i>Bonds</i>	<i>91.8</i>
<i>Short futures</i>	<i>0.0</i>
Cash and short-term investments	7.7
Exchange-traded funds/notes	3.1
Equities	0.2
Other assets (liabilities)	(2.8)

<b>Regional Allocation</b>	<b>% of NAV</b>
Canada	86.1
Cash and short-term investments	7.7
United States	5.1
Other	1.9
United Kingdom	0.6
Australia	0.6
Germany	0.4
China	0.2
Chile	0.1
Japan	0.1
Other assets (liabilities)	(2.8)

<b>Sector Allocation</b>	<b>% of NAV</b>
Corporate bonds	58.0
Provincial bonds	18.5
Federal bonds	11.1
Cash and short-term investments	7.7
Exchange-traded funds/notes	3.1
Municipal bonds	1.9
Mortgage backed	1.2
Foreign government bonds	0.9
Financials	0.2
Supra-national bonds	0.2
Other assets (liabilities)	(2.8)

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2021

### Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
10 Year Canadian Government Bond Futures June 2021	(184)	Jun. 21, 2021	139.47 CAD	(25,534)	128	–
<b>Total futures contracts</b>				<b>(25,534)</b>	<b>128</b>	<b>–</b>

\* Notional value represents the exposure to the underlying instruments as at March 31, 2021

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	3,399 CAD	(2,704) USD	Jun. 18, 2021	(3,399)	(3,399)	–	–
A	897 CAD	(720) USD	Jun. 18, 2021	(897)	(905)	–	(8)
A	234 CAD	(188) USD	Jun. 18, 2021	(234)	(235)	–	(1)
A	338 CAD	(270) USD	Jun. 18, 2021	(338)	(339)	–	(1)
A	82 CAD	(65) USD	Jun. 18, 2021	(82)	(82)	–	–
A	1,144 CAD	(910) USD	Jun. 18, 2021	(1,144)	(1,143)	1	–
<b>Total forward currency contracts</b>						<b>1</b>	<b>(10)</b>
<b>Total derivative instruments at fair value</b>						<b>129</b>	<b>(10)</b>

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

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## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2021 and 2020, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Where a series of a Fund was terminated during either period, the information for the series is provided up to close of business on the termination date. Refer to Note 10 for the formation date of the Fund and the inception date of each series.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 255 Dufferin Avenue, London, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Canada Life Investment Management Ltd. ("CLIML") is the manager of the Fund and is wholly owned by The Canada Life Assurance Company ("Canada Life"), a subsidiary of Power Corporation of Canada. Prior to January 1, 2021, Mackenzie Financial Corporation ("Mackenzie") was the manager of the Fund. Effective January 1, 2021, the Fund's manager and trustee changed from Mackenzie to CLIML. Mackenzie is also a subsidiary of Power Corporation of Canada. CLIML has entered into a fund administration agreement with Mackenzie. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These audited annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of CLIML on June 3, 2021.

### 3. Significant Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The cost of investments is determined on a weighted average cost basis.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. CLIML has concluded that any unlisted open-ended investment funds and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

The Fund's redeemable securities entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.



# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (a) Financial instruments (cont'd)

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, CLIML determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in CLIML's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by CLIML using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2021.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

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## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (b) Fair value measurement (cont'd)

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 10 for the fair value classifications of the Fund.

#### (c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate, on the ex-dividend or distribution date.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

#### (d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

#### (e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

#### (g) Currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

#### (h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

#### (i) Net asset value per security

The daily Net Asset Value (“NAV”) of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators’ (“CSA”) regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 10.

#### (j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

#### (k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

#### (l) Future accounting changes

The Fund has determined there are no material implications to the Fund’s financial statements arising from IFRS issued but not yet effective.

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

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.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 4. Critical Accounting Estimates and Judgments (cont'd)

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Fund, CLIML is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. CLIML has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, CLIML is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. CLIML has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

### 5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. The Fund maintains a December year-end for tax purposes. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 for the Fund's loss carryforwards.

### 6. Management Fees and Operating Expenses

The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

For each applicable series, the Fund paid management fees and administration fees ("Administration Fee") to Mackenzie for the period from April 1, 2020 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 Funds. In return 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.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses (cont'd)

In the pre-manager change period, Mackenzie was paid a management fee. The management fees were used by Mackenzie in part to pay GLC Asset Management Group Ltd., an affiliate of Mackenzie, for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors.

Subsequent to the change in manager, the management fees were used by CLIML in part to pay Mackenzie for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the CLIML Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

CLIML may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 10 for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2021 and 2020 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. CLIML manages the capital of the Fund in accordance with the investment objectives as discussed in Note 10.

### 8. Financial Instruments Risk

#### i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2021, grouped by asset type, with geographic and sector information.

CLIML seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, CLIML also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold).

#### iii. Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk (cont'd)

#### iii. Currency risk (cont'd)

The Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

#### iv. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 summarizes the Fund's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to interest rate risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk.

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, theoretically without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract.

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 10 illustrates the potential increase or decrease in the Fund's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to other price risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts.

#### vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 10 summarizes the Fund's exposure, if applicable and significant, to credit risk.

If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by underlying funds and ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position. The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 10 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 9. Other Information

Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HKD	Hong Kong dollars	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	HUF	Hungarian forint	PLN	Polish zloty
BRL	Brazilian real	IDR	Indonesian rupiah	QAR	Qatar Rial
CAD	Canadian dollars	ILS	Israeli shekel	RON	Romanian leu
CHF	Swiss franc	INR	Indian rupee	RUB	Russian ruble
CKZ	Czech koruna	JPY	Japanese yen	SAR	Saudi riyal
CLP	Chilean peso	KOR	South Korean won	SEK	Swedish krona
CNY	Chinese yuan	MXN	Mexican peso	SGD	Singapore dollars
COP	Colombian peso	MYR	Malaysian ringgit	THB	Thailand baht
CZK	Czech koruna	NGN	Nigerian naira	TRL	Turkish lira
DKK	Danish krone	NOK	Norwegian krona	USD	United States dollars
EGP	Egyptian pound	NTD	New Taiwan dollar	VND	Vietnamese dong
EUR	Euro	NZD	New Zealand dollars	ZAR	South African rand
GBP	United Kingdom pounds	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha
GHS	Ghana Cedi	PHP	Philippine peso		

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information (in '000, except for (a))

#### (a) Fund Formation and Series Information

Date of Formation August 14, 2020

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 the Statement of Changes in Financial Position.

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

Q Series securities are offered to investors investing a minimum of \$500.

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.

Series R securities are offered only to other funds managed by CLIML on a non-prospectus basis in connection with fund-of-fund arrangements.

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	September 9, 2020	1.35%	0.17%
H Series	September 9, 2020	0.85%	0.15%
HW Series	September 9, 2020	0.65%	0.15%
L Series	September 9, 2020	1.15%	0.15%
N Series	September 9, 2020	— <sup>(1)</sup>	— <sup>(1)</sup>
QF Series	September 9, 2020	0.85%	0.17%
QFW Series	September 9, 2020	0.65%	0.15%
Series R	September 9, 2020	— *	— *

\* Not applicable.

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

#### (b) Investments by Canada Life, CLIML and Affiliates

As at March 31, 2021, Canada Life and other funds managed by CLIML had an investment of \$15 and \$268,719, respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$13 which may be carried forward indefinitely to reduce future realized capital gains. There were no non-capital losses available to carry forward for tax purposes.

#### (d) Securities Lending

As at March 31, 2021, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.



# CANADA LIFE TACTICAL BOND FUND (PORTICO)

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## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (e) Change in Sub-Advisor

On December 31, 2020, Mackenzie acquired GLC Asset Management Group Ltd. ("GLC"), a subsidiary of Canada Life. Effective January 1, 2021, the Fund's manager and trustee changed from Mackenzie to CLIML.

Concurrent with these changes, Mackenzie replaced GLC as sub-advisor to the Fund.

#### (f) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	March 31, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	129	(1)	–	128
Unrealized losses on derivative contracts	(10)	1	649	640
Liability for options written	–	–	–	–
Total	119	–	649	768

#### (g) Risks Associated with Financial Instruments

##### *i. Risk exposure and management*

The Fund seeks income and moderate capital growth by investing primarily in Canadian fixed income securities. It may hold up to 30% of its assets in foreign investments. The Fund may invest up to 40% of its assets in high-yield bonds rated "BB" or lower, or that are non-rated.

##### *ii. Currency risk*

As at March 31, 2021, the Fund did not have a significant exposure to currency risk.

##### *iii. Interest rate risk*

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	March 31, 2021 (\$)	
	Bonds	Derivative Instruments
Less than 1 year	5,651	(25,534)
1-5 years	83,016	–
5-10 years	90,342	–
Greater than 10 years	68,328	–
Total	247,337	(25,534)

As at March 31, 2021, had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased by approximately \$16,726 or 6.2% of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### *iv. Other price risk*

As at March 31, 2021, the Fund did not have a significant exposure to price risk.

# CANADA LIFE TACTICAL BOND FUND (PORTICO)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2021

## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (g) Risks Associated with Financial Instruments (cont'd)

##### *v. Credit risk*

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2021, was 11.1% of the net assets of the Fund.

As at March 31, 2021, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2021
	% of Net Assets
AAA	16.7
AA	8.1
A	25.3
BBB	25.5
Less than BBB	3.7
Unrated	12.5
Total	91.8

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

#### (h) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the fair value hierarchy described in note 3.

	March 31, 2021			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	247,337	–	247,337
Equities	615	–	–	615
Exchange-traded funds/notes	8,397	–	–	8,397
Derivative assets	128	1	–	129
Derivative liabilities	–	(10)	–	(10)
Short-term investments	–	19,627	–	19,627
Total	9,140	266,955	–	276,095

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the period, there were no transfers between Level 1 and Level 2.