

GLOBAL LOW VOLATILITY FUND (ILIM)

(To be renamed Canada Life Global Low Volatility Fund (ILIM) on August 17, 2020)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

GLOBAL EQUITY FUND

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Global Low Volatility Fund (ILIM) (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 Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also 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 Mackenzie Financial Corporation,
Manager of the Fund



Barry McInerney
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

July 13, 2020

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Global Low Volatility Fund (ILIM) (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2020 and 2019, and the statements of comprehensive income, changes in financial position and cash flows for the periods 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, 2020 and 2019, and its financial performance and its cash flows for the periods 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 and will 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.

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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
July 13, 2020

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STATEMENTS OF FINANCIAL POSITION

In thousands (except per security figures)
As at March 31

	2020	2019		2020	2019
	\$	\$		\$	\$
ASSETS			Net assets attributable to securityholders		
Current assets			per security (note 3)		
Investments at fair value	3,832	3,972	Quadrus Series	9.00	10.26
Cash and cash equivalents	15	99	H Series	8.91	10.15
Dividends receivable	15	15	H5 Series	11.05	13.25
Accounts receivable for investments sold	—	—	HW Series	8.63	9.81
Accounts receivable for securities issued	2	1	HW5 Series	11.92	14.24
Taxes recoverable	3	3	L Series	9.12	10.39
Total assets	3,867	4,090	L5 Series	11.15	13.36
			N Series	8.80	9.99
LIABILITIES			N5 Series	10.96	13.08
Current liabilities			D5 Series	11.14	13.40
Accounts payable for investments purchased	1	—	QF Series	8.94	10.17
Accounts payable for securities redeemed	—	—	QF5 Series	11.09	13.31
Due to manager	—	3	QFW Series	8.64	9.81
Total liabilities	1	3	QFW5 Series	11.92	14.24
Net assets attributable to securityholders	3,866	4,087			
Net assets attributable to securityholders					
per series (note 3)					
Quadrus Series	1,966	2,099			
H Series	116	115			
H5 Series	1	1			
HW Series	1	1			
HW5 Series	1	1			
L Series	1,259	1,270			
L5 Series	1	1			
N Series	253	304			
N5 Series	1	10			
D5 Series	1	1			
QF Series	237	281			
QF5 Series	1	1			
QFW Series	27	1			
QFW5 Series	1	1			

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

CANADA LIFE MUTUAL FUNDS

GLOBAL LOW VOLATILITY FUND (ILIM)

(To be renamed Canada Life Global Low Volatility Fund (ILIM) on August 17, 2020)

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GLOBAL EQUITY FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended March 31 (note 1)
In thousands (except per security figures)

	2020	2019		2020	2019
	\$	\$		\$	\$
Income			Increase (decrease) in net assets attributable to securityholders from operations per security		
Dividends	144	114	Quadrus Series	(1.18)	0.64
Interest income	2	2	H Series	(1.11)	0.85
Other changes in fair value of investments and other net assets			H5 Series	(1.30)	1.08
Net realized gain (loss)	36	112	HW Series	(0.99)	0.18
Net unrealized gain (loss)	(558)	97	HW5 Series	(1.40)	0.27
Total income (loss)	(376)	325	L Series	(1.15)	0.66
			L5 Series	(1.45)	0.95
Expenses (note 6)			N Series	(0.80)	0.88
Management fees	83	63	N5 Series	(1.34)	0.95
Management fee rebates	(1)	(1)	D5 Series	(1.47)	0.92
Administration fees	11	8	QF Series	(1.14)	0.77
Commissions and other portfolio transaction costs	9	4	QF5 Series	(1.34)	1.01
Independent Review Committee fees	–	–	QFW Series	(2.86)	0.18
Other	1	2	QFW5 Series	(1.40)	0.27
Expenses before amounts absorbed by Manager	103	76			
Expenses absorbed by Manager	–	1			
Net expenses	103	75			
Increase (decrease) in net assets attributable to securityholders from operations before tax	(479)	250			
Foreign withholding taxes	19	15			
Foreign income taxes paid (recovered)	–	–			
Increase (decrease) in net assets attributable to securityholders from operations	(498)	235			
Increase (decrease) in net assets attributable to securityholders from operations per series					
Quadrus Series	(261)	109			
H Series	(13)	9			
H5 Series	–	–			
HW Series	–	–			
HW5 Series	–	–			
L Series	(158)	73			
L5 Series	–	–			
N Series	(24)	29			
N5 Series	–	1			
D5 Series	–	–			
QF Series	(38)	14			
QF5 Series	–	–			
QFW Series	(4)	–			
QFW5 Series	–	–			

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STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Quadrus Series		H Series		H5 Series		HW Series		HW5 Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	2,099	1,454	115	10	1	1	1	–	1	–
Increase (decrease) in net assets from operations	(261)	109	(13)	9	–	–	–	–	–	–
Distributions paid to securityholders:										
Investment income	(14)	–	(2)	–	–	–	–	–	–	–
Capital gains	(1)	(37)	–	(4)	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	(1)	(1)	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(16)	(38)	(2)	(4)	–	–	–	–	–	–
Security transactions:										
Proceeds from securities issued	614	965	42	112	–	–	–	1	–	1
Reinvested distributions	16	37	2	4	–	–	–	–	–	–
Payments on redemption of securities	(486)	(428)	(28)	(16)	–	–	–	–	–	–
Total security transactions	144	574	16	100	–	–	–	1	–	1
Total increase (decrease) in net assets	(133)	645	1	105	–	–	–	1	–	1
End of period	1,966	2,099	116	115	1	1	1	1	1	1
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	204	148	11	1	–	–	–	–	–	–
Issued	60	95	5	12	–	–	–	–	–	–
Reinvested distributions	2	4	–	–	–	–	–	–	–	–
Redeemed	(48)	(43)	(3)	(2)	–	–	–	–	–	–
Securities outstanding – end of period	218	204	13	11	–	–	–	–	–	–
	L Series		L5 Series		N Series		N5 Series		D5 Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	1,270	937	1	1	304	345	10	17	1	1
Increase (decrease) in net assets from operations	(158)	73	–	–	(24)	29	–	1	–	–
Distributions paid to securityholders:										
Investment income	(13)	–	–	–	(8)	–	–	–	–	–
Capital gains	(1)	(26)	–	–	(1)	(14)	–	–	–	–
Return of capital	–	–	–	–	–	–	–	(1)	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(14)	(26)	–	–	(9)	(14)	–	(1)	–	–
Security transactions:										
Proceeds from securities issued	436	437	–	–	132	72	–	11	–	–
Reinvested distributions	14	26	–	–	8	14	–	1	–	–
Payments on redemption of securities	(289)	(177)	–	–	(158)	(142)	(9)	(19)	–	–
Total security transactions	161	286	–	–	(18)	(56)	(9)	(7)	–	–
Total increase (decrease) in net assets	(11)	333	–	–	(51)	(41)	(9)	(7)	–	–
End of period	1,259	1,270	1	1	253	304	1	10	1	1
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	122	94	–	–	30	36	1	1	–	–
Issued	43	42	–	–	14	6	–	1	–	–
Reinvested distributions	1	3	–	–	1	2	–	–	–	–
Redeemed	(28)	(17)	–	–	(16)	(14)	(1)	(1)	–	–
Securities outstanding – end of period	138	122	–	–	29	30	–	1	–	–

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STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended March 31 (note 1)
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	QF Series		QF5 Series		QFW Series		QFW5 Series		Total	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	281	124	1	1	1	–	1	–	4,087	2,891
Increase (decrease) in net assets from operations	(38)	14	–	–	(4)	–	–	–	(498)	235
Distributions paid to securityholders:										
Investment income	(5)	–	–	–	–	–	–	–	(42)	–
Capital gains	–	(8)	–	–	–	–	–	–	(3)	(89)
Return of capital	–	–	–	–	–	–	–	–	–	(1)
Management fee rebates	–	–	–	–	–	–	–	–	(1)	(1)
Total distributions paid to securityholders	(5)	(8)	–	–	–	–	–	–	(46)	(91)
Security transactions:										
Proceeds from securities issued	156	168	–	–	47	1	–	1	1,427	1,769
Reinvested distributions	5	8	–	–	–	–	–	–	45	90
Payments on redemption of securities	(162)	(25)	–	–	(17)	–	–	–	(1,149)	(807)
Total security transactions	(1)	151	–	–	30	1	–	1	323	1,052
Total increase (decrease) in net assets	(44)	157	–	–	26	1	–	1	(221)	1,196
End of period	237	281	1	1	27	1	1	1	3,866	4,087
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	28	13	–	–	–	–	–	–	–	–
Issued	15	17	–	–	5	–	–	–	–	–
Reinvested distributions	1	1	–	–	–	–	–	–	–	–
Redeemed	(17)	(3)	–	–	(2)	–	–	–	–	–
Securities outstanding – end of period	27	28	–	–	3	–	–	–	–	–

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STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)
In thousands

	2020	2019
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	(498)	235
Adjustments for:		
Net realized loss (gain) on investments	(36)	(114)
Change in net unrealized loss (gain) on investments	558	(97)
Purchase of investments	(4,434)	(2,802)
Proceeds from sale and maturity of investments	4,053	1,936
Change in dividends receivable	–	(15)
Change in due to manager	(3)	3
Net cash from operating activities	(360)	(854)
Cash flows from financing activities		
Proceeds from securities issued	1,362	1,680
Payments on redemption of securities	(1,085)	(726)
Distributions paid net of reinvestments	(1)	(1)
Net cash from financing activities	276	953
Net increase (decrease) in cash and cash equivalents	(84)	99
Cash and cash equivalents at beginning of period	99	–
Effect of exchange rate fluctuations on cash and cash equivalents	–	–
Cash and cash equivalents at end of period	15	99
Cash	15	99
Cash equivalents	–	–
Cash and cash equivalents at end of period	15	99
Supplementary disclosures on cash flow from operating activities:		
Dividends received	144	99
Foreign taxes paid	19	15
Interest received	2	2
Interest paid	–	–

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CANADA LIFE MUTUAL FUNDS

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SCHEDULE OF INVESTMENTS

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
3i Group PLC	United Kingdom	Financials	398	7	5
Adecco Group SA	Switzerland	Industrials	192	16	11
Agnico-Eagle Mines Ltd.	Canada	Materials	292	16	16
Allianz SE Reg.	Germany	Financials	159	51	39
The Allstate Corp.	United States	Financials	361	53	47
Alphabet Inc. Class A	United States	Communication Services	16	25	26
Alstom SA	France	Industrials	164	9	10
Amazon.com Inc.	United States	Consumer Discretionary	8	18	22
American Tower Corp. Class A	United States	Real Estate	180	49	55
Aon PLC	United States	Financials	198	52	46
Apple Inc.	United States	Information Technology	174	46	62
Aroundtown SA	Germany	Real Estate	548	6	4
Astellas Pharma Inc.	Japan	Health Care	2,246	46	49
AT&T Inc.	United States	Communication Services	1,027	44	42
Atos Origin	France	Information Technology	109	15	10
Auto Trader Group PLC	United Kingdom	Communication Services	797	7	6
AutoZone Inc.	United States	Consumer Discretionary	35	55	42
AvalonBay Communities Inc.	United States	Real Estate	136	39	28
Baker Hughes Co.	United States	Energy	839	25	12
Bank of Montreal	Canada	Financials	162	17	12
The Bank of Nova Scotia	Canada	Financials	141	10	8
Barclays PLC	United Kingdom	Financials	8,521	22	14
Barratt Developments PLC	United Kingdom	Consumer Discretionary	564	6	4
Barrick Gold Corp.	Canada	Materials	1,227	21	32
Baxter International Inc.	United States	Health Care	122	12	14
BCE Inc.	Canada	Communication Services	469	26	27
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	229	15	14
Bristol-Myers Squibb Co.	United States	Health Care	722	47	57
Canon Inc.	Japan	Information Technology	1,205	49	37
Capri Holdings Ltd.	United States	Consumer Discretionary	94	7	1
Cardinal Health Inc.	United States	Health Care	177	13	12
Choe Global Markets Inc.	United States	Financials	119	19	15
CBS Corp. Class B non-voting	United States	Communication Services	847	47	17
Centrica PLC	United Kingdom	Utilities	7,258	16	5
Chevron Corp.	United States	Energy	54	9	6
CI Financial Corp.	Canada	Financials	1,120	25	16
The Clorox Co.	United States	Consumer Staples	119	23	29
Colgate Palmolive Co.	United States	Consumer Staples	612	54	57
Coloplast AS	Denmark	Health Care	49	8	10
Colruyt SA	Belgium	Consumer Staples	75	6	6
ComfortDelGro Corp. Ltd.	Singapore	Industrials	2,916	7	4
ConocoPhillips	United States	Energy	696	60	30
Consolidated Edison Inc.	United States	Utilities	394	47	43
Cummins Inc.	United States	Industrials	222	47	42
Daito Trust Construction Co. Ltd.	Japan	Real Estate	105	21	14
Deutsche Boerse AG	Germany	Financials	164	29	32
Deutsche Lufthansa AG Reg.	Germany	Industrials	1,087	34	15
Direct Line Insurance Group PLC	United Kingdom	Financials	1,228	7	6
Edwards Lifesciences Corp.	United States	Health Care	136	44	36

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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Electronic Arts Inc.	United States	Communication Services	157	20	22
Eni SPA	Italy	Energy	2,520	53	36
Equinor ASA	Norway	Energy	1,109	37	20
Erie Indemnity Co. Class A	United States	Financials	26	6	5
Eutelsat Communications SA	France	Communication Services	218	6	3
Eversource Energy	United States	Utilities	370	40	41
Exelon Corp.	United States	Utilities	901	52	47
Exxon Mobil Corp.	United States	Energy	586	61	31
F5 Networks Inc.	United States	Information Technology	154	28	23
Fortescue Metals Group Ltd.	Australia	Materials	3,501	29	30
Franco-Nevada Corp.	Canada	Materials	195	19	27
The Gap Inc.	United States	Consumer Discretionary	1,648	43	16
Geberit AG	Switzerland	Industrials	36	25	22
Gecina SA	France	Real Estate	22	4	4
Getlink SE	France	Industrials	293	7	5
Gilead Sciences Inc.	United States	Health Care	623	54	66
GlaxoSmithKline PLC	United Kingdom	Health Care	1,033	27	27
H&R Block Inc.	United States	Consumer Discretionary	578	19	11
Hang Seng Bank Ltd.	Hong Kong	Financials	461	15	11
HCA Holdings Inc.	United States	Health Care	81	12	10
Healthpeak Properties Inc.	United States	Real Estate	717	32	24
Henry Schein Inc.	United States	Health Care	336	31	24
Hermes International	France	Consumer Discretionary	7	6	7
The Hershey Co.	United States	Consumer Staples	279	49	52
Hitachi Ltd.	Japan	Information Technology	700	35	29
HKT Trust and HKT Ltd.	Hong Kong	Communication Services	2,000	4	4
HollyFrontier Corp.	United States	Energy	539	44	19
Hong Kong Exchanges and Clearing Ltd.	Hong Kong	Financials	667	27	28
Intact Financial Corp.	Canada	Financials	64	7	8
Intel Corp.	United States	Information Technology	700	44	53
International Business Machines Corp.	United States	Information Technology	303	55	47
ITOCHU Corp.	Japan	Industrials	1,400	35	41
Japan Airlines Co. Ltd.	Japan	Industrials	644	30	17
Jefferies Financial Group Inc.	United States	Financials	268	7	5
JXTG Holdings Inc.	Japan	Energy	1,400	8	7
Kajima Corp.	Japan	Industrials	522	11	8
Kellogg Co.	United States	Consumer Staples	585	53	49
Kimberly-Clark Corp.	United States	Consumer Staples	204	36	37
Kinross Gold Corp.	Canada	Materials	846	5	5
Kirkland Lake Gold Ltd.	Canada	Materials	201	13	8
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	1,108	35	37
The Kroger Co.	United States	Consumer Staples	1,517	51	64
Kuehne + Nagel International AG	Switzerland	Industrials	66	13	13
Laboratory Corp. of America Holdings	United States	Health Care	126	28	22
Lear Corp.	United States	Consumer Discretionary	111	18	13
Linde PLC	Ireland	Materials	20	6	5
The Link Real Estate Investment Trust	Hong Kong	Real Estate	1,400	20	17
Macy's Inc.	United States	Consumer Discretionary	1,422	35	10
MarketAxess Holdings Inc.	United States	Financials	12	6	6

CANADA LIFE MUTUAL FUNDS

GLOBAL LOW VOLATILITY FUND (ILIM)

(To be renamed Canada Life Global Low Volatility Fund (ILIM) on August 17, 2020)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

GLOBAL EQUITY FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
McKesson Corp.	United States	Health Care	275	49	52
Medibank Private Ltd.	Australia	Financials	1,648	5	4
Medtronic PLC	United States	Health Care	137	20	17
Merck & Co. Inc.	United States	Health Care	478	49	52
Microsoft Corp.	United States	Information Technology	275	41	61
Mizrahi Tefahot Bank Ltd.	Israel	Financials	409	11	11
Mizuho Financial Group Inc.	Japan	Financials	5,100	11	8
NEC Corp.	Japan	Information Technology	200	11	10
Nestlé SA Reg.	Switzerland	Consumer Staples	387	41	56
Newcrest Mining Ltd.	Australia	Materials	670	14	13
Newmont Goldcorp Corp. (USD Shares)	United States	Materials	1,079	51	69
Nippon Telegraph & Telephone Corp. (NTT)	Japan	Communication Services	1,510	41	50
Northern Trust Corp.	United States	Financials	209	29	22
Novo Nordisk AS B	Denmark	Health Care	458	34	39
NTT DoCoMo Inc.	Japan	Communication Services	1,400	42	62
NVR Inc.	United States	Consumer Discretionary	7	34	25
Obayashi Corp.	Japan	Industrials	501	7	6
Occidental Petroleum Corp.	United States	Energy	719	62	12
Omnicom Group Inc.	United States	Communication Services	375	39	29
OMV AG	Austria	Energy	70	5	3
Pandora AS	Denmark	Consumer Discretionary	159	8	7
PepsiCo Inc.	United States	Consumer Staples	304	45	51
Persimmon PLC	United Kingdom	Consumer Discretionary	346	13	12
Phillips 66	United States	Energy	90	14	7
Plains GP Holdings LP	United States	Energy	600	16	5
The Procter & Gamble Co.	United States	Consumer Staples	337	36	52
Proximus SA	Belgium	Communication Services	142	5	5
Public Storage	United States	Real Estate	191	57	53
Publicis Groupe SA	France	Communication Services	186	14	8
Qualcomm Inc.	United States	Information Technology	87	10	8
Red Electrica Corporacion SA	Spain	Utilities	416	11	11
RELX PLC	United Kingdom	Industrials	760	24	23
RioCan Real Estate Investment Trust	Canada	Real Estate	242	6	4
Roche Holding AG Genusscheine	Switzerland	Health Care	136	41	62
Rogers Communications Inc. Class B non-voting	Canada	Communication Services	162	11	10
Royal Bank of Canada	Canada	Financials	104	11	9
S&P Global Inc.	United States	Financials	28	10	10
SECOM Co. Ltd.	Japan	Industrials	100	12	12
Seven & i Holdings Co. Ltd.	Japan	Consumer Staples	700	33	33
Shaw Communications Inc. Class B non-voting	Canada	Communication Services	278	8	6
Shionogi & Co. Ltd.	Japan	Health Care	340	25	24
Simon Property Group Inc.	United States	Real Estate	264	60	20
Singapore Airlines Ltd.	Singapore	Industrials	1,938	19	11
Singapore Exchange Ltd.	Singapore	Financials	800	6	7
Singapore Telecommunications Ltd.	Singapore	Communication Services	4,400	13	11
Sonova Holding AG	Switzerland	Health Care	54	16	14
Spark New Zealand Ltd.	New Zealand	Communication Services	8,977	30	31
Swisscom AG Reg.	Switzerland	Communication Services	37	25	28
Sysco Corp.	United States	Consumer Staples	469	50	30

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GLOBAL EQUITY FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Target Corp.	United States	Consumer Discretionary	127	13	17
TE Connectivity Ltd.	United States	Information Technology	306	37	27
Telstra Corp. Ltd.	Australia	Communication Services	7,478	21	20
Total SA	France	Energy	342	25	19
United Overseas Bank Ltd.	Singapore	Financials	166	4	3
Universal Health Services Inc. Class B	United States	Health Care	126	20	18
Venture Corp. Ltd.	Singapore	Information Technology	300	4	4
Verizon Communications Inc.	United States	Communication Services	681	48	52
Vestas Wind Systems AS	Denmark	Industrials	77	8	9
Visa Inc. Class A	United States	Information Technology	227	54	52
W.W. Grainger Inc.	United States	Industrials	71	30	25
The Walt Disney Co.	United States	Communication Services	145	28	20
Wheaton Precious Metals Corp.	Canada	Materials	290	7	11
Total equities				4,152	3,705
EXCHANGE-TRADED FUNDS/NOTES					
Vanguard FTSE Developed Markets ETF	United States	Exchange-Traded Funds/Notes	1,071	59	50
Vanguard S&P 500 ETF	United States	Exchange-Traded Funds/Notes	228	88	77
Total exchange-traded funds/notes				147	127
Transaction costs				(3)	–
Total investments				4,296	3,832
Cash and cash equivalents					15
Other assets less liabilities					19
Total net assets					3,866

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GLOBAL EQUITY FUND

SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2020	
Portfolio Allocation	% of NAV
Equities	95.8
Exchange-traded funds/notes	3.3
Other assets (liabilities)	0.5
Cash and short-term investments	0.4

Regional Allocation	% of NAV
United States	57.8
Japan	10.5
Other	5.6
Switzerland	5.3
Canada	5.1
United Kingdom	3.0
Germany	2.3
Australia	1.7
France	1.7
Denmark	1.7
Hong Kong	1.5
Singapore	1.1
Netherlands	0.9
Italy	0.9
Other assets (liabilities)	0.5
Cash and short-term investments	0.4

Sector Allocation	% of NAV
Health care	15.7
Consumer staples	14.3
Communication services	12.4
Information technology	11.0
Financials	9.7
Industrials	7.0
Real estate	5.8
Materials	5.6
Energy	5.3
Consumer discretionary	5.2
Utilities	3.8
Exchange-traded funds/notes	3.3
Other assets (liabilities)	0.5
Cash and short-term investments	0.4

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	97.1
Cash and short-term investments	2.5
Other assets (liabilities)	0.4

Regional Allocation	% of NAV
United States	56.9
Japan	10.2
Canada	5.1
United Kingdom	3.8
Germany	3.3
Australia	3.2
Switzerland	3.0
Hong Kong	2.8
Cash and short-term investments	2.5
France	1.9
Singapore	1.4
Israel	1.4
Other	1.4
Norway	1.1
Denmark	0.8
Netherlands	0.8
Other assets (liabilities)	0.4

Sector Allocation	% of NAV
Consumer staples	14.8
Health care	14.7
Communication services	9.6
Information technology	9.3
Financials	9.2
Energy	8.8
Consumer discretionary	7.6
Utilities	6.9
Industrials	6.4
Materials	6.1
Real estate	3.7
Cash and short-term investments	2.5
Other assets (liabilities)	0.4

GLOBAL LOW VOLATILITY FUND (ILIM)

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GLOBAL EQUITY FUND

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, 2020 and 2019, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 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 180 Queen Street West, Toronto, 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.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Corporation of Canada. The Canada Life Assurance Company is also a subsidiary of Power Corporation of Canada. 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 Mackenzie Financial Corporation on July 13, 2020.

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 Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore 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.

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.

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. Mackenzie 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.

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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, Mackenzie 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 Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie 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.

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

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 unrealized gains or losses on a "mark to market" basis. 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 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, 2020.

(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.

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

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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, advisers, brokers and dealers. 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 9. 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.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (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. 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 is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(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 9 summarizes the details of such offsetting, if applicable.

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) Foreign 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. Refer to Note 9 for the Fund's NAV per security.

(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.

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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.

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.

The outbreak of the novel coronavirus (COVID-19) developed rapidly over the first three months of 2020, with the World Health Organization declaring it a pandemic on March 11, 2020, and governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown.

The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at March 31, 2020.

The duration and impact of the COVID-19 pandemic on businesses and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the Fund in future periods.

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, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie 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, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie 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.

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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. 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 9 for the Fund's loss carryforwards.

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee 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. 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.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. 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.

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 Mackenzie 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.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie 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 9 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, 2020 and 2019 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

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, 2020, grouped by asset type, with geographic and sector information.

Mackenzie 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, Mackenzie 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.

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8. Financial Instruments Risk (cont'd)

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 90% of its assets in liquid investments (i.e., investments that can be readily sold).

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to 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, 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. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

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 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. 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 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

GLOBAL LOW VOLATILITY FUND (ILIM)

(To be renamed Canada Life Global Low Volatility Fund (ILIM) on August 17, 2020)

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a))

(a) Fund Formation and Series Information

Date of Formation June 29, 2016

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 Statements of Changes in Financial Position.

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

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series and D5 Series securities are offered to investors investing a minimum of \$500. Investors in D5 Series securities also want to receive a monthly cash flow of 5% per year.

H Series and H5 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. Investors in H5 Series securities also want to receive a monthly cash flow of 5% per year.

HW Series and HW5 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. Investors in HW5 Series securities also want to receive a monthly cash flow of 5% per year.

L Series and L5 Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors in L5 Series securities also want to receive a monthly cash flow of 5% per year.

N Series and N5 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 Mackenzie and Quadrus. Investors in N5 Series securities also want to receive a monthly cash flow of 5% per year.

QF Series and QF5 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. Investors in QF5 Series securities also want to receive a monthly cash flow of 5% per year.

QFW Series and QFW5 Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor. Investors in QFW5 Series securities also want to receive a monthly cash flow of 5% per year.

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 Mackenzie 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.

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2020	Mar. 31, 2019
Quadrus Series ⁽³⁾	July 12, 2016	2.00%	0.28%	9.00	10.26
H Series	July 12, 2016	1.00%	0.15% ⁽²⁾	8.91	10.15
H5 Series	July 12, 2016	1.00%	0.15% ⁽²⁾	11.05	13.25
HW Series	August 7, 2018	0.80%	0.15%	8.63	9.81
HW5 Series	August 7, 2018	0.80%	0.15%	11.92	14.24
L Series	July 12, 2016	1.80%	0.15%	9.12	10.39
L5 Series	July 12, 2016	1.80%	0.15%	11.15	13.36
N Series	July 12, 2016	— ⁽¹⁾	— ⁽¹⁾	8.80	9.99
N5 Series	July 12, 2016	— ⁽¹⁾	— ⁽¹⁾	10.96	13.08
D5 Series	July 12, 2016	2.00%	0.28%	11.14	13.40
QF Series	July 12, 2016	1.00%	0.28%	8.94	10.17
QF5 Series	July 12, 2016	1.00%	0.28%	11.09	13.31
QFW Series	August 7, 2018	0.80%	0.15%	8.64	9.81
QFW5 Series	August 7, 2018	0.80%	0.15%	11.92	14.24

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

(2) Prior to June 28, 2018, the administration fee for this series was charged to the Fund at a rate of 0.20%.

(3) On August 17, 2020, Quadrus Series will be renamed Q Series.

(b) Investments by Mackenzie and Affiliates

As at March 31, 2020, The Canada Life Assurance Company, an affiliate of Mackenzie, had an investment of \$13 (2019 – \$14) in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

(d) Securities Lending

As at March 31, 2020 and 2019, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(e) Offsetting of Financial Assets and Liabilities

As at March 31, 2020 and 2019, there were no amounts subject to offsetting.

(f) Subsequent Event

On August 17, 2020, the Fund will be renamed Canada Life Global Low Volatility Fund (ILIM).

(g) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks long-term capital growth by investing in equities of companies anywhere in the world, either directly or through other mutual funds, with a focus on companies and/or sectors that are believed likely to have lower sensitivity to broader market movements. The Fund seeks to provide lower volatility than the broad global equity market over a full market cycle (generally three years or more).

GLOBAL LOW VOLATILITY FUND (ILIM)

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

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

ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

Currency	March 31, 2020			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	2,356	2	–	2,358
Japanese yen	407	–	–	407
Euro	254	1	–	255
Swiss franc	206	–	–	206
British pound	116	(2)	–	114
Australian dollar	67	1	–	68
Danish krone	65	1	–	66
Hong Kong dollar	60	1	–	61
Singapore dollar	40	–	–	40
New Zealand dollar	31	–	–	31
Norwegian krone	20	1	–	21
Israeli shekel	11	–	–	11
Total	3,633	5	–	3,638
% of Net Assets	94.0	0.1	–	94.1

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

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

ii. Currency risk (cont'd)

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	2,478	4	–	2,482
Japanese yen	393	1	–	394
Euro	233	–	–	233
British pound	141	1	–	142
Australian dollar	126	2	–	128
Swiss franc	115	1	–	116
Hong Kong dollar	111	1	–	112
Singapore dollar	57	–	–	57
Norwegian krone	45	1	–	46
Danish krone	31	–	–	31
New Zealand dollar	27	1	–	28
Israeli shekel	9	–	–	9
Swedish krona	4	–	–	4
Total	3,770	12	–	3,782
% of Net Assets	92.2	0.3	–	92.5

* Includes both monetary and non-monetary financial instruments

As at March 31, 2020, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$182 or 4.7% of total net assets (2019 – \$189 or 4.6%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at March 31, 2020 and 2019, the Fund did not have a significant exposure to interest rate risk.

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at March 31, 2020, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$383 or 9.9% of total net assets (2019 – \$397 or 9.7%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at March 31, 2020 and 2019, the Fund did not have a significant exposure to credit risk.

GLOBAL LOW VOLATILITY FUND (ILIM)

(To be renamed Canada Life Global Low Volatility Fund (ILIM) on August 17, 2020)

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(h) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

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; 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.

	March 31, 2020				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	2,459	1,246	–	3,705	3,695	–	–	3,695
Exchange-traded funds/notes	127	–	–	127	277	–	–	277
Total	2,586	1,246	–	3,832	3,972	–	–	3,972

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.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended March 31, 2020, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at March 31, 2020, these securities were classified as Level 2 (2019 – Level 1).