

CANADA LIFE PATHWAYS CORE BOND FUND

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2021

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by calling 1-888-532-3322, by writing us at 255 Dufferin Ave., London, Ontario, N6A 4K1 or by visiting our website at www.canadalifeinvest.ca or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Canada Life Investment Management Ltd., the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2021	Mar. 31 2021 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	37,121	31,666
Cash and cash equivalents	734	4,815
Accrued interest receivable	215	187
Accounts receivable for investments sold	–	21
Accounts receivable for securities issued	–	–
Margin on derivatives	34	70
Unrealized gains on derivative contracts	13	17
Total assets	38,117	36,776
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	1	2,864
Accounts payable for securities redeemed	221	3
Total liabilities	222	2,867
Net assets attributable to securityholders	37,895	33,909

Net assets attributable to securityholders (note 3)

	per security		per series	
	Sep. 30 2021	Mar. 31 2021 (Audited)	Sep. 30 2021	Mar. 31 2021 (Audited)
I Series	10.67	10.71	37,895	33,909
			37,895	33,909

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021 \$	2020 \$
Income		
Interest income	432	236
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(287)	15
Net unrealized gain (loss)	97	855
Total income (loss)	242	1,106
Expenses (note 6)		
Commissions and other portfolio transaction costs	2	–
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	2	–
Expenses absorbed by Manager	–	–
Net expenses	2	–
Increase (decrease) in net assets attributable to securityholders from operations before tax	240	1,106
Foreign withholding taxes	–	–
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	240	1,106

Increase (decrease) in net assets attributable to securityholders from operations (note 3)

	per security		per series	
	2021	2020	2021	2020
I Series	0.07	0.66	240	1,106
			240	1,106

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

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021	2020
	<u>I Series</u>	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS	\$	
Beginning of period	33,909	15,455
Increase (decrease) in net assets from operations	240	1,106
Distributions paid to securityholders:		
Investment income	(396)	–
Capital gains	–	(228)
Total distributions paid to securityholders	(396)	(228)
Security transactions:		
Proceeds from securities issued	14,096	8,031
Reinvested distributions	391	225
Payments on redemption of securities	(10,345)	(2,971)
Total security transactions	4,142	5,285
Total increase (decrease) in net assets	3,986	6,163
End of period	37,895	21,618
	<u>Securities</u>	
Increase (decrease) in fund securities (note 7):	3,165	1,452
Securities outstanding – beginning of period	1,312	723
Issued	1,312	723
Reinvested distributions	36	20
Redeemed	(960)	(267)
Securities outstanding – end of period	3,553	1,928

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

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF CASH FLOWS

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021	2020
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	240	1,106
Adjustments for:		
Net realized loss (gain) on investments	162	(15)
Change in net unrealized loss (gain) on investments	(97)	(855)
Purchase of investments	(18,002)	(5,355)
Proceeds from sale and maturity of investments	9,644	987
Change in accrued interest receivable	(28)	(29)
Change in margin on derivatives	36	—
Net cash from operating activities	(8,045)	(4,161)
Cash flows from financing activities		
Proceeds from securities issued	14,096	8,026
Payments on redemption of securities	(10,127)	(3,071)
Distributions paid net of reinvestments	(5)	(3)
Net cash from financing activities	3,964	4,952
Net increase (decrease) in cash and cash equivalents	(4,081)	791
Cash and cash equivalents at beginning of period	4,815	286
Effect of exchange rate fluctuations on cash and cash equivalents	—	—
Cash and cash equivalents at end of period	734	1,077
Cash	734	1,077
Cash equivalents	—	—
Cash and cash equivalents at end of period	734	1,077
Supplementary disclosures on cash flow from operating activities:		
Dividends received	—	—
Foreign taxes paid	—	—
Interest received	404	207
Interest paid	—	—

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

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF INVESTMENTS

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS					
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate - Non Convertible	125,000	128	127
407 International Inc. 5.96% 12-03-2035 Callable	Canada	Corporate - Non Convertible	25,000	36	33
407 International Inc. 4.19% 04-25-2042 Callable	Canada	Corporate - Non Convertible	160,000	184	181
Aéroports de Montréal 3.03% 04-21-2050 Callable 2049	Canada	Corporate - Non Convertible	145,000	151	140
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	5,000	6	5
Algonquin Power & Utilities Corp. 2.85% 07-15-2031	Canada	Corporate - Non Convertible	23,000	23	23
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate - Non Convertible	8,000	8	8
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate - Non Convertible	86,000	86	86
AltaLink LP 3.99% 06-30-2042 Callable	Canada	Corporate - Non Convertible	58,000	66	65
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	30,000	31	32
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate - Non Convertible	28,000	28	28
ARC Resources Ltd. 3.47% 03-10-2031	Canada	Corporate - Non Convertible	30,000	30	31
Athene Global Funding F/R 04-09-2024	United States	Corporate - Non Convertible	63,000	63	63
Bank of America Corp. F/R 09-15-2027 (Floating)	United States	Corporate - Non Convertible	40,000	40	40
Bank of America Corp. F/R 09-15-2027 (Fix-To-Float)	United States	Corporate - Non Convertible	21,000	21	21
Bank of America Corp. F/R 04-04-2029	United States	Corporate - Non Convertible	818,000	834	834
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate - Non Convertible	400,000	416	413
Bank of Montreal 4.61% 09-10-2025	Canada	Corporate - Non Convertible	250,000	290	281
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	51,000	51	51
Bank of Montreal 1.55% 05-28-2026	Canada	Corporate - Non Convertible	103,000	103	102
Bank of Montreal F/R 07-22-2031	Canada	Corporate - Non Convertible	43,000	43	43
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate - Non Convertible	63,000	66	65
The Bank of Nova Scotia F/R 08-04-2026	Canada	Corporate - Non Convertible	66,000	66	66
The Bank of Nova Scotia 1.40% 11-01-2027	Canada	Corporate - Non Convertible	130,000	126	126
The Bank of Nova Scotia 3.10% 02-02-2028	Canada	Corporate - Non Convertible	310,000	330	334
The Bank of Nova Scotia F/R 07-27-2081	Canada	Corporate - Non Convertible	62,000	62	62
BCE Inc. 2.20% 05-29-2028	Canada	Corporate - Non Convertible	34,000	34	34
BCE Inc. 3.50% 09-30-2050 Callable 2050	Canada	Corporate - Non Convertible	30,000	31	28
bclMC Realty Corp. 2.15% 08-11-2022 Callable 2022	Canada	Corporate - Non Convertible	100,000	100	101
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate - Non Convertible	16,000	16	16
bclMC Realty Corp. 1.07% 02-04-2026	Canada	Corporate - Non Convertible	19,000	19	19
Bell Canada Inc. 2.70% 02-27-2024 Callable 2023	Canada	Corporate - Non Convertible	180,000	181	186
Bell Canada Inc. 1.65% 08-16-2027 Callable 2027	Canada	Corporate - Non Convertible	140,000	135	136
Bell Canada Inc. 2.90% 09-10-2029 Callable 2029	Canada	Corporate - Non Convertible	28,000	29	29
Bell Canada Inc. 2.50% 05-14-2030	Canada	Corporate - Non Convertible	104,000	101	103
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed	6,943	7	7
BMW Canada Inc. 0.99% 01-14-2025	Germany	Corporate - Non Convertible	11,000	11	11
British Columbia Ferry Services Inc. 4.29% 04-28-2044 Callable 2043	Canada	Corporate - Non Convertible	75,000	91	88
Brookfield Infrastructure Finance ULC 2.86% 09-01-2032 Callable 2032	Canada	Corporate - Non Convertible	90,000	87	88
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	15,000	17	16
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	200,000	228	225
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	5,000	5	5
Brookfield Renewable Partners ULC 3.33% 08-13-2050 Callable 2050	Canada	Corporate - Non Convertible	30,000	28	28
Bruce Power LP 4.13% 06-21-2033 Callable 2033	Canada	Corporate - Non Convertible	147,000	168	163
Canada Housing Trust 1.50% 12-15-2021	Canada	Federal Government	220,000	219	221
Canada Housing Trust 2.90% 06-15-2024	Canada	Federal Government	440,000	472	465

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Canada Housing Trust F/R 09-15-2024	Canada	Federal Government	600,000	605	604
Canada Housing Trust 1.95% 12-15-2025	Canada	Federal Government	380,000	395	392
Canada Housing Trust F/R 03-15-2026	Canada	Federal Government	3,710,000	3,723	3,718
Canada Mortgage & Housing Corp. F/R 09-15-2026	Canada	Federal Government	1,400,000	1,400	1,401
Canadian Imperial Bank of Commerce F/R 06-10-2024	Canada	Corporate - Non Convertible	34,000	34	34
Canadian Imperial Bank of Commerce F/R 03-04-2025	Canada	Corporate - Non Convertible	62,000	62	62
Canadian Imperial Bank of Commerce 2.00% 04-17-2025	Canada	Corporate - Non Convertible	908,000	928	924
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate - Non Convertible	440,000	433	430
Canadian Imperial Bank of Commerce F/R 07-15-2026	Canada	Corporate - Non Convertible	54,000	54	54
Canadian Imperial Bank of Commerce F/R 04-21-2031	Canada	Corporate - Non Convertible	435,000	437	434
Canadian Imperial Bank of Commerce F/R 01-28-2082	Canada	Corporate - Non Convertible	30,000	30	30
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	215,000	226	227
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	110,000	113	116
Canadian Tire Corp. Ltd. 3.17% 07-06-2023 Callable 2023	Canada	Corporate - Non Convertible	165,000	168	171
Canadian Tire Corp. Ltd. 5.61% 09-04-2035	Canada	Corporate - Non Convertible	60,000	72	70
Canadian Western Bank F/R 01-22-2024	Canada	Corporate - Non Convertible	58,000	58	58
Canadian Western Bank 1.93% 04-16-2026	Canada	Corporate - Non Convertible	33,000	33	33
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	26,000	29	28
CGI Inc. 2.10% 09-18-2028	Canada	Corporate - Non Convertible	18,000	18	18
Cogeco Communications Inc. 2.99% 09-22-2031	Canada	Corporate - Non Convertible	22,000	22	22
Crombie Real Estate Investment Trust 2.69% 03-31-2028 Callable 2028	Canada	Corporate - Non Convertible	70,000	70	70
Crombie Real Estate Investment Trust 3.13% 08-12-2031	Canada	Corporate - Non Convertible	14,000	14	14
CU Inc. 5.56% 10-30-2037	Canada	Corporate - Non Convertible	100,000	136	130
CU Inc. 4.54% 10-24-2041 Callable	Canada	Corporate - Non Convertible	240,000	293	283
Dream Industrial Real Estate Investment Trust 1.66% 12-22-2025 (JUN)	Canada	Corporate - Non Convertible	17,000	17	17
Dream Industrial Real Estate Investment Trust 2.06% 06-17-2027	Canada	Corporate - Non Convertible	22,000	22	22
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate - Non Convertible	11,000	11	11
Enbridge Inc. 3.10% 09-21-2033	Canada	Corporate - Non Convertible	44,000	44	44
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	276,000	290	294
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	160,000	183	183
Enbridge Pipelines Inc. 5.33% 04-06-2040 Callable	Canada	Corporate - Non Convertible	55,000	67	65
Énergir inc. 2.10% 04-16-2027 Callable 2027	Canada	Corporate - Non Convertible	55,000	56	56
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	74,000	80	80
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	Canada	Corporate - Non Convertible	51,000	51	53
Fédération des Caisses Desjardins du Québec 1.09% 01-21-2026	Canada	Corporate - Non Convertible	400,000	392	391
Fédération des Caisses Desjardins du Québec 1.59% 09-10-2026	Canada	Corporate - Non Convertible	27,000	27	27
Fédération des Caisses Desjardins du Québec F/R 05-26-2030 Callable 2025	Canada	Corporate - Non Convertible	40,000	43	41
The Goldman Sachs Group Inc. F/R 04-29-2025	United States	Corporate - Non Convertible	107,000	107	107
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate - Non Convertible	70,000	68	69
Government of Canada 2.75% 06-01-2022	Canada	Federal Government	680,000	703	691
Government of Canada 2.50% 06-01-2024	Canada	Federal Government	270,000	281	283
Government of Canada 2.25% 06-01-2025	Canada	Federal Government	1,090,000	1,177	1,142
Government of Canada 1.50% 06-01-2026	Canada	Federal Government	343,000	353	350
Government of Canada 1.25% 06-01-2030	Canada	Federal Government	678,000	692	670
Government of Canada 3.00% 12-01-2036 Real Return	Canada	Federal Government	478,000	963	963
Government of Canada 2.00% 12-01-2051	Canada	Federal Government	57,000	59	57
Government of Canada 1.75% 12-01-2053	Canada	Federal Government	30,000	30	28
Granite Real Estate Investment Trust 2.19% 08-30-2028	Canada	Corporate - Non Convertible	32,000	32	32

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Greater Toronto Airports Authority 6.98% 10-15-2032 Callable	Canada	Corporate - Non Convertible	40,000	58	56
Greater Toronto Airports Authority 6.47% 02-02-2034 Callable	Canada	Corporate - Non Convertible	40,000	58	55
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	125,000	127	119
Greater Toronto Airports Authority 5.30% 02-25-2041 Callable	Canada	Corporate - Non Convertible	55,000	76	72
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate - Non Convertible	54,000	58	58
H&R Real Estate Investment Trust 2.91% 06-02-2026	Canada	Corporate - Non Convertible	53,000	54	54
H&R Real Estate Investment Trust 2.63% 02-19-2027	Canada	Corporate - Non Convertible	37,000	37	37
Heathrow Funding Ltd. 2.69% 10-13-2027	United Kingdom	Corporate - Non Convertible	40,000	40	40
Heathrow Funding Ltd. 3.73% 04-13-2033	United Kingdom	Corporate - Non Convertible	13,000	13	14
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate - Non Convertible	32,000	32	32
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate - Non Convertible	17,000	17	17
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate - Non Convertible	30,000	30	29
Hydro One Inc. 2.23% 09-17-2031	Canada	Corporate - Non Convertible	40,000	40	39
Hydro One Inc. 6.93% 06-01-2032	Canada	Corporate - Non Convertible	200,000	293	278
Hydro One Inc. 5.36% 05-20-2036	Canada	Corporate - Non Convertible	125,000	174	159
Hydro One Inc. 4.39% 09-26-2041	Canada	Corporate - Non Convertible	135,000	165	158
Hyundai Capital Canada Inc. 2.01% 05-12-2026	South Korea	Corporate - Non Convertible	20,000	20	20
The Independent Order Of Foresters F/R 10-15-2035 Callable 2030	Canada	Corporate - Non Convertible	25,000	25	25
Intact Financial Corp. 2.18% 05-18-2028	Canada	Corporate - Non Convertible	22,000	22	22
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	7,000	7	7
Inter Pipeline Ltd. 2.61% 09-13-2023 Callable MTN	Canada	Corporate - Non Convertible	80,000	82	82
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	46,000	49	48
John Deere Financial Inc. 1.63% 04-09-2026	United States	Corporate - Non Convertible	9,000	9	9
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate - Non Convertible	70,000	70	70
Keyera Corp. 3.96% 05-29-2030	Canada	Corporate - Non Convertible	130,000	138	139
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate - Non Convertible	20,000	20	20
Laurentian Bank of Canada 0.88% 03-01-2026 (CAN 97519039)	United States	Mortgage Backed	223,004	221	221
Laurentian Bank of Canada 1.60% 05-06-2026	Canada	Corporate - Non Convertible	8,000	8	8
Loblaw Companies Ltd. 6.85% 03-01-2032 Callable	Canada	Corporate - Non Convertible	15,000	19	20
Lower Mattagami Energy LP 2.43% 05-14-2031	Canada	Corporate - Non Convertible	27,000	27	27
Manulife Bank of Canada 1.54% 09-14-2026	Canada	Corporate - Non Convertible	41,000	41	41
Manulife Financial Corp. 3.38% 06-19-2081	Canada	Corporate - Non Convertible	80,000	80	80
Merrill Lynch 0.99% 03-01-2026	Canada	Mortgage Backed	66,774	67	66
Morgan Stanley F/R 03-21-2025	United States	Corporate - Non Convertible	240,000	240	240
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	882,000	923	913
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	213,000	218	221
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate - Non Convertible	25,000	25	25
National Grid Electricity Transmission PLC 2.30% 06-22-2029	United Kingdom	Corporate - Non Convertible	47,000	47	47
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	United States	Corporate - Non Convertible	USD 19,000	23	24
North West Redwater Partnership Co. Ltd. 3.70% 02-23-2043 Callable 2042	Canada	Corporate - Non Convertible	45,000	44	45
North West Redwater Partnership 3.20% 04-24-2026 Callable 2026	Canada	Corporate - Non Convertible	160,000	164	169
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	336,000	349	349
North West Redwater Partnership 2.80% 06-01-2031	Canada	Corporate - Non Convertible	64,000	64	64
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate - Non Convertible	70,000	75	75
Pembina Pipeline Corp. 4.81% 03-25-2044	Canada	Corporate - Non Convertible	9,000	10	10
Pembina Pipeline Corp. 4.74% 01-21-2047 Callable 2046 MTN	Canada	Corporate - Non Convertible	9,000	10	9
Pembina Pipeline Corp. 4.75% 03-26-2048 Callable 2047	Canada	Corporate - Non Convertible	14,000	15	15
Province of Alberta 2.55% 06-01-2027	Canada	Provincial Governments	140,000	143	148

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Province of Alberta 3.45% 12-01-2043	Canada	Provincial Governments	200,000	234	222
Province of Alberta 3.05% 12-01-2048	Canada	Provincial Governments	85,000	88	88
Province of Alberta 3.10% 06-01-2050	Canada	Provincial Governments	100,000	104	105
Province of Alberta 2.95% 06-01-2052	Canada	Provincial Governments	60,000	61	61
Province of British Columbia 2.30% 06-18-2026	Canada	Provincial Governments	60,000	60	63
Province of British Columbia 1.55% 06-18-2031	Canada	Provincial Governments	330,000	313	316
Province of British Columbia 2.80% 06-18-2048	Canada	Provincial Governments	100,000	101	102
Province of British Columbia 2.95% 06-18-2050	Canada	Provincial Governments	789,000	854	829
Province of Manitoba 5.70% 03-05-2037	Canada	Provincial Governments	15,000	20	21
Province of Manitoba 3.20% 03-05-2050	Canada	Provincial Governments	180,000	192	193
Province of Manitoba 2.05% 09-05-2052	Canada	Provincial Governments	170,000	140	143
Province of New Brunswick 2.35% 08-14-2027	Canada	Provincial Governments	150,000	156	157
Province of New Brunswick 5.50% 01-27-2034	Canada	Provincial Governments	15,000	19	20
Province of New Brunswick 4.55% 03-26-2037	Canada	Provincial Governments	65,000	84	81
Province of Nova Scotia 4.50% 06-01-2037	Canada	Provincial Governments	15,000	18	19
Province of Ontario 2.60% 06-02-2025	Canada	Provincial Governments	65,000	69	68
Province of Ontario 1.55% 11-01-2029	Canada	Provincial Governments	251,000	250	245
Province of Ontario 2.15% 06-02-2031	Canada	Provincial Governments	170,000	174	171
Province of Ontario 3.45% 06-02-2045	Canada	Provincial Governments	190,000	217	214
Province of Ontario 2.65% 12-02-2050	Canada	Provincial Governments	30,000	30	29
Province of Ontario 1.90% 12-02-2051	Canada	Provincial Governments	1,031,000	857	848
Province of Quebec 1.50% 09-01-2031	Canada	Provincial Governments	393,000	390	373
Province of Quebec 4.25% 12-01-2043	Canada	Provincial Governments	140,000	184	177
Province of Quebec 3.50% 12-01-2045	Canada	Provincial Governments	120,000	140	137
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	70,000	81	80
Province of Quebec 3.10% 12-01-2051	Canada	Provincial Governments	1,129,000	1,258	1,213
Province of Saskatchewan 3.10% 06-02-2050	Canada	Provincial Governments	600,000	636	634
Province of Saskatchewan 2.80% 12-02-2052	Canada	Provincial Governments	226,000	227	225
Reliance LP 2.68% 12-01-2027	Canada	Corporate - Non Convertible	170,000	172	172
Reliance LP 2.67% 08-01-2028	Canada	Corporate - Non Convertible	26,000	26	26
Royal Bank of Canada 1.59% 05-04-2026	Canada	Corporate - Non Convertible	211,000	211	210
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate - Non Convertible	242,000	250	248
Royal Bank of Canada 1.83% 07-31-2028	Canada	Corporate - Non Convertible	70,000	70	69
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate - Non Convertible	420,000	427	425
Royal Bank of Canada F/R 01-28-2033	Canada	Corporate - Non Convertible	39,000	39	38
Sagen MI Canada Inc. 3.26% 03-05-2031	Canada	Corporate - Non Convertible	32,000	32	32
Sagen MI Canada Inc. F/R 03-24-2081	Canada	Corporate - Non Convertible	16,000	16	16
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	275,000	285	286
Saputo Inc. 2.30% 06-22-2028	Canada	Corporate - Non Convertible	15,000	15	15
Sienna Senior Living Inc. 2.82% 03-31-2027	Canada	Corporate - Non Convertible	10,000	10	10
Summit Industrial Income Real Estate Investment Trust 1.82% 04-01-2026	Canada	Corporate - Non Convertible	69,000	68	68
Summit Industrial Income Real Estate Investment Trust 2.25% 01-12-2027	Canada	Corporate - Non Convertible	14,000	14	14
Summit Industrial Income Real Estate Investment Trust 2.44% 07-14-2028	Canada	Corporate - Non Convertible	16,000	16	16
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	165,000	171	171
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate - Non Convertible	370,000	380	380
Sun Life Financial Inc. F/R 06-30-2081	Canada	Corporate - Non Convertible	36,000	36	36
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	200,000	207	208
Suncor Energy Inc. 3.95% 03-04-2051	Canada	Corporate - Non Convertible	26,000	26	25

CANADA LIFE PATHWAYS CORE BOND FUND

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Suzano Austria GmbH 2.50% 09-15-2028	Brazil	Corporate - Non Convertible	USD 21,000	26	26
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	115,000	122	121
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate - Non Convertible	40,000	42	42
TELUS Corp. 2.05% 10-07-2030	Canada	Corporate - Non Convertible	102,000	96	96
TELUS Corp. 2.85% 11-13-2031	Canada	Corporate - Non Convertible	38,000	38	38
TELUS Corp. 4.85% 04-05-2044	Canada	Corporate - Non Convertible	114,000	139	127
TELUS Corp. 3.95% 02-16-2050	Canada	Corporate - Non Convertible	49,000	53	48
TELUS Corp. 4.10% 04-05-2051	Canada	Corporate - Non Convertible	5,000	5	5
Thomson Reuters Corp. 2.24% 05-14-2025 Callable 2025	Canada	Corporate - Non Convertible	83,000	85	85
TMX Group Ltd 2.02% 02-12-2031	Canada	Corporate - Non Convertible	13,000	13	13
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	225,000	232	234
The Toronto-Dominion Bank 1.89% 03-08-2028	Canada	Corporate - Non Convertible	120,000	120	119
The Toronto-Dominion Bank 1.90% 09-11-2028	Canada	Corporate - Non Convertible	74,000	74	73
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate - Non Convertible	260,000	273	273
The Toronto-Dominion Bank F/R 01-26-2032 Callable 2027	Canada	Corporate - Non Convertible	125,000	126	131
The Toronto-Dominion Bank F/R 10-31-2081	Canada	Corporate - Non Convertible	40,000	40	40
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate - Non Convertible	9,000	9	9
Tourmaline Oil Corp. 2.53% 02-12-2029	Canada	Corporate - Non Convertible	16,000	16	16
Toyota Credit Canada Inc. 2.11% 02-26-2025	Canada	Corporate - Non Convertible	70,000	70	72
Toyota Credit Canada Inc. 1.18% 02-23-2026	Canada	Corporate - Non Convertible	20,000	20	20
TransCanada PipeLines Ltd. F/R 06-09-2024	Canada	Corporate - Non Convertible	59,000	59	59
TransCanada PipeLines Ltd. 3.30% 07-17-2025 Callable 2025 MTN	Canada	Corporate - Non Convertible	116,000	126	123
TransCanada PipeLines Ltd. 3.80% 04-05-2027 Callable 2027	Canada	Corporate - Non Convertible	150,000	164	162
TransCanada PipeLines Ltd. 6.50% 12-09-2030	Canada	Corporate - Non Convertible	15,000	19	18
TransCanada PipeLines Ltd. 4.18% 07-03-2048 Callable 2048	Canada	Corporate - Non Convertible	20,000	22	20
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate - Non Convertible	53,000	53	53
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	170,000	178	177
Transcontinental Inc. 2.28% 07-13-2026	Canada	Corporate - Non Convertible	11,000	11	11
Union Gas Ltd. 2.88% 11-22-2027 Callable 2027	Canada	Corporate - Non Convertible	40,000	40	42
Verizon Communications Inc. 2.38% 03-22-2028	United States	Corporate - Non Convertible	70,000	70	70
The Walt Disney Co. 3.06% 03-30-2027	United States	Corporate - Non Convertible	467,000	496	492
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	120,000	126	125
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	20,000	22	21
Westcoast Energy Inc. 3.88% 10-28-2021	Canada	Corporate - Non Convertible	50,000	52	50
Westcoast Energy Inc. 3.12% 12-05-2022	Canada	Corporate - Non Convertible	50,000	51	51
WSP Global Inc. 2.41% 04-19-2028	Canada	Corporate - Non Convertible	56,000	56	56
Total bonds				37,467	37,121
Transaction costs				—	—
Total investments				37,467	37,121
Derivative instruments (see schedule of derivative instruments)					13
Cash and cash equivalents					734
Other assets less liabilities					27
Net assets attributable to securityholders					37,895

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2021	
Portfolio Allocation	% of NAV
Bonds	98.0
<i>Bonds</i>	98.0
<i>Short futures</i>	0.0
Cash and short-term investments	1.9
Other assets (liabilities)	0.1
Regional Allocation	% of NAV
Canada	91.5
United States	6.0
Cash and short-term investments	1.9
United Kingdom	0.3
Other assets (liabilities)	0.1
Brazil	0.1
South Korea	0.1
Sector Allocation	% of NAV
Corporate bonds	49.8
Federal bonds	29.0
Provincial bonds	18.4
Cash and short-term investments	1.9
Mortgage backed	0.8
Other assets (liabilities)	0.1

March 31, 2021	
Portfolio Allocation	% of NAV
Bonds	93.4
<i>Bonds</i>	93.3
<i>Short futures</i>	0.1
Cash and short-term investments	14.2
Other assets (liabilities)	(7.6)
Regional Allocation	% of NAV
Canada	90.7
Cash and short-term investments	14.2
United States	2.7
Other assets (liabilities)	(7.6)
Sector Allocation	% of NAV
Corporate bonds	42.6
Federal bonds	32.7
Provincial bonds	17.1
Cash and short-term investments	14.2
Mortgage backed	0.9
Other	0.1
Other assets (liabilities)	(7.6)

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 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)
5 Year United States Treasury Note Futures December 2021	(14)	Dec. 31, 2021	123.48 USD	(2,175)	13	–
Total futures contracts				(2,175)	13	–

* Notional value represents the exposure to the underlying instruments as at September 30, 2021

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2021 and 2020, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2021, 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 unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2021. 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 November 16, 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*. 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 PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 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 September 30, 2021.

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

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 PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 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

In a fund merger, the Fund acquires all of the assets and assumes all of the liabilities of the terminating fund at fair value in exchange for securities of the Fund on the effective date of the merger.

(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.

The ongoing international mutation and transmission of COVID-19 continued to negatively impact the global economy and caused volatility in financial markets. The COVID-19 pandemic may continue to adversely affect global markets and the Fund’s performance.

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 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

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.

The management fees were used by Mackenzie in the pre-manager change period, and used by CLIML after the pre-manager change period, 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.

CANADA LIFE PATHWAYS CORE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

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

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 addition, Mackenzie pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not included in the management fee. 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 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 September 30, 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*. The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 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.

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NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iii. Currency risk (cont'd)

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.

The Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from underlying funds and Exchange Traded Funds ("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.

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NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

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.

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		

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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 October 12, 2018

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

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees
I Series	October 22, 2018	— ⁽¹⁾	— ⁽¹⁾

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

(b) Loss Carryforwards

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

(c) Securities Lending

As at September 30, 2021 and March 31, 2021, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(d) 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.

(e) 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.

	September 30, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	13	—	—	13
Unrealized losses on derivative contracts	—	—	34	34
Liability for options written	—	—	—	—
Total	13	—	34	47

	March 31, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	17	—	—	17
Unrealized losses on derivative contracts	—	—	70	70
Liability for options written	—	—	—	—
Total	17	—	70	87

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NOTES TO FINANCIAL STATEMENTS

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

(f) Risks Associated with Financial Instruments

i. Risk exposure and management

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

ii. Currency risk

As at September 30, 2021 and 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	September 30, 2021 (\$)		March 31, 2021 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	1,063	(2,175)	642	(4,024)
1-5 years	15,942	–	15,529	–
5-10 years	9,353	–	5,657	–
Greater than 10 years	10,763	–	9,838	–
Total	37,121	(2,175)	31,666	(4,024)

As at September 30, 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 \$2,467 or 6.5% (March 31, 2021 – \$2,046 or 6.0%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to other price risk.

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 credit worthiness of the debt issuer. The maximum effective exposure to any one debt issuer, as at September 30, 2021 was 29.0% (March 31, 2021 – 32.7%) of the net assets of the Fund.

As at September 30, 2021 and March 31, 2021, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2021	March 31, 2021
	% of Net Assets	% of Net Assets
AAA	29.8	37.3
AA	11.2	6.6
A	26.2	23.4
BBB	25.0	20.3
Less than BBB	0.1	–
Unrated	5.7	5.8
Total	98.0	93.4

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

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

(g) 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.

	September 30, 2021				March 31, 2021			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	37,121	–	37,121	–	31,666	–	31,666
Derivative assets	13	–	–	13	17	–	–	17
Short-term investments	–	–	–	–	–	4,315	–	4,315
Total	13	37,121	–	37,134	17	35,981	–	35,998

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.