

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

(Formerly U.S. Low Volatility Fund (Putnam))

US EQUITY FUND

## **Interim Unaudited Financial Statements**

For the Six-Month Period Ended September 30, 2020

*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 contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://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**

*Mackenzie Financial Corporation, 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 US LOW VOLATILITY FUND (PUTNAM)

(Formerly U.S. Low Volatility Fund (Putnam))

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2020

US EQUITY FUND

## STATEMENTS OF FINANCIAL POSITION

In thousands (except per security figures)  
As at

	Sep. 30 2020	Mar. 31 2020 (Audited)		Sep. 30 2020	Mar. 31 2020 (Audited)	
	\$	\$		\$	\$	
<b>ASSETS</b>						
<b>Current assets</b>						
Investments at fair value	7,212	6,417	<b>Net assets attributable to securityholders per security (note 3)</b>	<b>Q Series</b>	11.60	10.79
Cash and cash equivalents	66	87		<b>H Series</b>	12.16	11.25
Dividends receivable	9	12		<b>H5 Series</b>	14.82	14.05
Accounts receivable for investments sold	—	2		<b>HW Series</b>	10.88	10.04
Accounts receivable for securities issued	—	6		<b>HW5 Series</b>	14.64	13.86
<b>Total assets</b>	<b>7,287</b>	<b>6,524</b>		<b>L Series</b>	11.76	10.92
				<b>L5 Series</b>	14.30	13.62
				<b>N Series</b>	12.77	11.75
				<b>N5 Series</b>	15.51	14.63
				<b>D5 Series</b>	14.09	13.46
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable for investments purchased	5	20	<b>QF Series</b>	12.12	11.22	
Accounts payable for securities redeemed	—	10	<b>QF5 Series</b>	14.73	13.98	
<b>Total liabilities</b>	<b>5</b>	<b>30</b>	<b>QFW Series</b>	10.84	10.01	
<b>Net assets attributable to securityholders</b>	<b>7,282</b>	<b>6,494</b>	<b>QFW5 Series</b>	14.64	13.86	
<b>Net assets attributable to securityholders per series (note 3)</b>						
<b>Q Series</b>	<b>4,867</b>	<b>4,358</b>				
<b>H Series</b>	<b>14</b>	<b>130</b>				
<b>H5 Series</b>	<b>1</b>	<b>1</b>				
<b>HW Series</b>	<b>1</b>	<b>1</b>				
<b>HW5 Series</b>	<b>1</b>	<b>1</b>				
<b>L Series</b>	<b>1,187</b>	<b>807</b>				
<b>L5 Series</b>	<b>15</b>	<b>14</b>				
<b>N Series</b>	<b>372</b>	<b>407</b>				
<b>N5 Series</b>	<b>1</b>	<b>1</b>				
<b>D5 Series</b>	<b>7</b>	<b>7</b>				
<b>QF Series</b>	<b>170</b>	<b>210</b>				
<b>QF5 Series</b>	<b>1</b>	<b>1</b>				
<b>QFW Series</b>	<b>644</b>	<b>555</b>				
<b>QFW5 Series</b>	<b>1</b>	<b>1</b>				

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## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)  
In thousands (except per security figures)

	2020	2019		2020	2019
	\$	\$		\$	\$
<b>Income</b>			<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Dividends	64	60	<b>Q Series</b>	0.81	0.30
Interest income	1	1	<b>H Series</b>	1.32	0.36
Other changes in fair value of investments and other net assets			<b>H5 Series</b>	1.16	0.51
Net realized gain (loss)	(119)	(101)	<b>HW Series</b>	0.84	0.35
Net unrealized gain (loss)	659	274	<b>HW5 Series</b>	1.15	0.50
<b>Total income (loss)</b>	<b>605</b>	<b>234</b>	<b>L Series</b>	0.82	0.32
			<b>L5 Series</b>	1.03	0.40
<b>Expenses (note 6)</b>			<b>N Series</b>	1.07	0.45
Management fees	61	53	<b>N5 Series</b>	1.26	0.58
Management fee rebates	(3)	(3)	<b>D5 Series</b>	0.99	0.38
Administration fees	9	8	<b>QF Series</b>	0.93	0.35
Interest charges	–	1	<b>QF5 Series</b>	1.14	0.48
Commissions and other portfolio transaction costs	2	5	<b>QFW Series</b>	0.82	0.33
Independent Review Committee fees	–	–	<b>QFW5 Series</b>	1.14	0.49
Other	–	1			
<b>Expenses before amounts absorbed by Manager</b>	<b>69</b>	<b>65</b>			
Expenses absorbed by Manager	–	–			
<b>Net expenses</b>	<b>69</b>	<b>65</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>536</b>	<b>169</b>			
Foreign withholding taxes	10	9			
Foreign income taxes paid (recovered)	–	–			
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>526</b>	<b>160</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>					
<b>Q Series</b>	<b>336</b>	<b>119</b>			
<b>H Series</b>	<b>10</b>	<b>4</b>			
<b>H5 Series</b>	<b>–</b>	<b>–</b>			
<b>HW Series</b>	<b>–</b>	<b>–</b>			
<b>HW5 Series</b>	<b>–</b>	<b>–</b>			
<b>L Series</b>	<b>81</b>	<b>14</b>			
<b>L5 Series</b>	<b>1</b>	<b>1</b>			
<b>N Series</b>	<b>35</b>	<b>12</b>			
<b>N5 Series</b>	<b>–</b>	<b>–</b>			
<b>D5 Series</b>	<b>–</b>	<b>–</b>			
<b>QF Series</b>	<b>16</b>	<b>9</b>			
<b>QF5 Series</b>	<b>–</b>	<b>–</b>			
<b>QFW Series</b>	<b>47</b>	<b>1</b>			
<b>QFW5 Series</b>	<b>–</b>	<b>–</b>			

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Q Series		H Series		H5 Series		HW Series		HW5 Series	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	4,358	4,363	130	169	1	1	1	1	1	1
Increase (decrease) in net assets from operations	336	119	10	4	-	-	-	-	-	-
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	(3)	(3)	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(3)	(3)	-	-	-	-	-	-	-	-
Security transactions:										
Proceeds from securities issued	340	443	-	7	-	-	-	-	-	-
Reinvested distributions	3	3	-	-	-	-	-	-	-	-
Payments on redemption of securities	(167)	(371)	(126)	(19)	-	-	-	-	-	-
Total security transactions	176	75	(126)	(12)	-	-	-	-	-	-
<b>Total increase (decrease) in net assets</b>	<b>509</b>	<b>191</b>	<b>(116)</b>	<b>(8)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>End of period</b>	<b>4,867</b>	<b>4,554</b>	<b>14</b>	<b>161</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	<b>404</b>	<b>396</b>	<b>12</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Issued	30	40	-	1	-	-	-	-	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(15)	(33)	(11)	(2)	-	-	-	-	-	-
<b>Securities outstanding – end of period</b>	<b>419</b>	<b>403</b>	<b>1</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>L Series</b>		<b>L5 Series</b>		<b>N Series</b>		<b>N5 Series</b>		<b>D5 Series</b>	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	807	329	14	35	407	283	1	1	7	7
Increase (decrease) in net assets from operations	81	14	1	1	35	12	-	-	-	-
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	(1)	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	-	-	-	(1)	-	-	-	-	-	-
Security transactions:										
Proceeds from securities issued	409	283	-	-	14	86	-	-	-	-
Reinvested distributions	-	-	-	1	-	-	-	-	-	-
Payments on redemption of securities	(110)	(36)	-	-	(84)	(32)	-	-	-	-
Total security transactions	299	247	-	1	(70)	54	-	-	-	-
<b>Total increase (decrease) in net assets</b>	<b>380</b>	<b>261</b>	<b>1</b>	<b>1</b>	<b>(35)</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>End of period</b>	<b>1,187</b>	<b>590</b>	<b>15</b>	<b>36</b>	<b>372</b>	<b>349</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>7</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	<b>74</b>	<b>30</b>	<b>1</b>	<b>2</b>	<b>35</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Issued	36	25	-	-	1	8	-	-	1	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(9)	(3)	-	-	(7)	(3)	-	-	-	-
<b>Securities outstanding – end of period</b>	<b>101</b>	<b>52</b>	<b>1</b>	<b>2</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>

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(Formerly U.S. Low Volatility Fund (Putnam))

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2020

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	QF Series		QF5 Series		QFW Series		QFW5 Series		Total	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	210	303	1	1	555	57	1	1	6,494	5,552
Increase (decrease) in net assets from operations	16	9	-	-	47	1	-	-	526	160
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	(1)
Management fee rebates	-	-	-	-	-	-	-	-	(3)	(3)
Total distributions paid to securityholders	-	-	-	-	-	-	-	-	(3)	(4)
Security transactions:										
Proceeds from securities issued	18	72	-	-	42	-	-	-	823	891
Reinvested distributions	-	-	-	-	-	-	-	-	3	4
Payments on redemption of securities	(74)	(132)	-	-	-	-	-	-	(561)	(590)
Total security transactions	(56)	(60)	-	-	42	-	-	-	265	305
<b>Total increase (decrease) in net assets</b>	<b>(40)</b>	<b>(51)</b>	<b>-</b>	<b>-</b>	<b>89</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>788</b>	<b>461</b>
<b>End of period</b>	<b>170</b>	<b>252</b>	<b>1</b>	<b>1</b>	<b>644</b>	<b>58</b>	<b>1</b>	<b>1</b>	<b>7,282</b>	<b>6,013</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>19</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Issued	1	6	-	-	4	-	-	-	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(6)	(11)	-	-	-	-	-	-	-	-
<b>Securities outstanding – end of period</b>	<b>14</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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## STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)  
In thousands

	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	526	160
Adjustments for:		
Net realized loss (gain) on investments	99	97
Change in net unrealized loss (gain) on investments	(659)	(274)
Purchase of investments	(2,687)	(2,041)
Proceeds from sale and maturity of investments	2,430	1,692
Change in dividends receivable	3	—
<b>Net cash from operating activities</b>	<b>(288)</b>	<b>(366)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	829	761
Payments on redemption of securities	(571)	(443)
Distributions paid net of reinvestments	—	—
<b>Net cash from financing activities</b>	<b>258</b>	<b>318</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(30)</b>	<b>(48)</b>
Cash and cash equivalents at beginning of period	87	85
Effect of exchange rate fluctuations on cash and cash equivalents	9	—
<b>Cash and cash equivalents at end of period</b>	<b>66</b>	<b>37</b>
Cash	66	37
Cash equivalents	—	—
<b>Cash and cash equivalents at end of period</b>	<b>66</b>	<b>37</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	67	60
Foreign taxes paid	10	9
Interest received	1	1
Interest paid	—	1

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## SCHEDULE OF INVESTMENTS

As at September 30, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
AbbVie Inc.	United States	Health Care	285	35	33
Accenture PLC Class A	United States	Information Technology	67	17	20
Activision Blizzard Inc.	United States	Communication Services	171	17	18
Adobe Systems Inc.	United States	Information Technology	302	164	197
Agilent Technologies Inc.	United States	Health Care	49	6	7
AGNC Investment Corp.	United States	Financials	1,033	22	19
Alexion Pharmaceuticals Inc.	United States	Health Care	29	4	4
Allison Transmission Holdings Inc.	United States	Industrials	426	24	20
The Allstate Corp.	United States	Financials	650	76	81
Alphabet Inc. Class A	United States	Communication Services	118	172	230
Amazon.com Inc.	United States	Consumer Discretionary	107	343	450
Amdocs Ltd.	United States	Information Technology	329	25	25
American Electric Power Co. Inc.	United States	Utilities	421	39	46
American Financial Group Inc.	United States	Financials	150	19	13
American Homes 4 Rent Class A	United States	Real Estate	772	24	29
Amgen Inc.	United States	Health Care	125	32	42
Apple Inc.	United States	Information Technology	2,385	160	369
AptarGroup Inc.	United States	Materials	40	6	6
Assurant Inc.	United States	Financials	105	16	17
Automatic Data Processing Inc.	United States	Information Technology	18	3	3
Axalta Coating Systems Ltd.	United States	Materials	690	21	20
Baxter International Inc.	United States	Health Care	627	56	67
Berry Global Group Inc.	United States	Materials	678	42	44
Biogen Inc.	United States	Health Care	48	18	18
BioMarin Pharmaceutical Inc.	United States	Health Care	36	5	4
Bio-Rad Laboratories Inc. Class A	United States	Health Care	5	3	3
Black Knight Inc.	United States	Information Technology	98	8	11
Bluebird Bio Inc.	United States	Health Care	41	4	3
Bright Horizons Family Solutions Inc.	United States	Consumer Discretionary	84	13	17
Bristol-Myers Squibb Co.	United States	Health Care	521	38	42
C.H. Robinson Worldwide Inc.	United States	Industrials	281	31	38
Cabot Oil & Gas Corp.	United States	Energy	1,627	39	38
Cadence Design Systems Inc.	United States	Information Technology	377	25	54
Camden Property Trust	United States	Real Estate	164	19	19
Carrier Global Corp.	United States	Industrials	1,324	41	54
CenterPoint Energy Inc.	United States	Utilities	458	17	12
Charter Communications Inc. Class A	United States	Communication Services	96	54	80
Chemed Corp.	United States	Health Care	44	22	28
Chevron Corp.	United States	Energy	203	32	19
Chubb Ltd.	United States	Financials	17	3	3
Cisco Systems Inc.	United States	Information Technology	1,291	80	68
The Clorox Co.	United States	Consumer Staples	351	97	98
The Coca-Cola Co.	United States	Consumer Staples	391	26	26
Cognizant Technology Solutions Corp.	United States	Information Technology	965	90	89
Colgate Palmolive Co.	United States	Consumer Staples	18	2	2
Costco Wholesale Corp.	United States	Consumer Staples	162	67	77
Delta Air Lines Inc.	United States	Industrials	881	59	36

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Dollar General Corp.	United States	Consumer Discretionary	225	57	63
DTE Energy Co.	United States	Utilities	553	91	85
Duke Realty Corp.	United States	Real Estate	158	6	8
eBay Inc.	United States	Consumer Discretionary	1,421	75	99
Ecolab Inc.	United States	Materials	110	21	29
Electronic Arts Inc.	United States	Communication Services	300	49	52
Eli Lilly and Co.	United States	Health Care	179	24	35
EQT Corp.	United States	Energy	550	12	9
Equity Commonwealth	United States	Real Estate	627	27	22
Equity Lifestyle Properties Inc.	United States	Real Estate	90	6	7
Equity Residential	United States	Real Estate	461	40	32
Exelixis Inc.	United States	Health Care	148	4	5
Exelon Corp.	United States	Utilities	1,530	84	73
Exxon Mobil Corp.	United States	Energy	884	94	40
F5 Networks Inc.	United States	Information Technology	281	50	46
Facebook Inc.	United States	Communication Services	179	46	62
Fidelity National Information Services Inc.	United States	Information Technology	623	86	122
Gaming and Leisure Properties Inc.	United States	Real Estate	6	—	—
Garmin Ltd.	United States	Consumer Discretionary	514	59	65
Gentex Corp.	United States	Consumer Discretionary	747	28	26
The Goldman Sachs Group Inc.	United States	Financials	446	129	119
The Hershey Co.	United States	Consumer Staples	357	57	68
Hologic Inc.	United States	Health Care	831	53	74
Honeywell International Inc.	United States	Industrials	557	99	122
HP Inc.	United States	Information Technology	673	15	17
Incyte Corp.	United States	Health Care	47	6	6
Ingersoll Rand Inc.	United States	Industrials	323	14	15
Intercontinental Exchange Inc.	United States	Financials	730	75	97
Intuit Inc.	United States	Information Technology	294	59	128
Jazz Pharmaceuticals PLC	United States	Health Care	30	6	6
Johnson & Johnson	United States	Health Care	473	81	94
JPMorgan Chase & Co.	United States	Financials	999	124	128
Juniper Networks Inc.	United States	Information Technology	1,671	59	48
Kinder Morgan Inc.	United States	Energy	4,077	106	67
KLA-Tencor Corp.	United States	Information Technology	106	18	27
Laboratory Corp. of America Holdings	United States	Health Care	147	28	37
Leidos Holdings Inc.	United States	Information Technology	547	60	65
Lockheed Martin Corp.	United States	Industrials	236	118	120
Loews Corp.	United States	Financials	616	38	28
Maxim Integrated Products Inc.	United States	Information Technology	455	33	41
Medtronic PLC	United States	Health Care	981	133	136
Merck & Co. Inc.	United States	Health Care	487	42	54
Mettler-Toledo International Inc.	United States	Health Care	3	3	4
MGIC Investment Corp.	United States	Financials	983	17	12
Microsoft Corp.	United States	Information Technology	956	142	269
Moderna Inc.	United States	Health Care	47	4	4
Mondelez International Inc.	United States	Consumer Staples	1,627	99	124



# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

(Formerly U.S. Low Volatility Fund (Putnam))

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Mylan NV	United States	Health Care	181	4	4
Neurocrine Biosciences Inc.	United States	Health Care	23	4	3
New York Community Bancorp Inc.	United States	Financials	967	14	11
Newmarket Corp.	United States	Materials	42	25	19
NVIDIA Corp.	United States	Information Technology	163	83	117
Omnicom Group Inc.	United States	Communication Services	591	58	39
PepsiCo Inc.	United States	Consumer Staples	295	51	54
Pfizer Inc.	United States	Health Care	1,002	47	49
Pinnacle West Capital Corp.	United States	Utilities	32	4	3
The Procter & Gamble Co.	United States	Consumer Staples	367	45	68
ProLogis Inc.	United States	Real Estate	125	11	17
QIAGEN NV	United States	Health Care	204	9	14
Quest Diagnostics Inc.	United States	Health Care	186	23	28
Regeneron Pharmaceuticals Inc.	United States	Health Care	21	17	16
Reinsurance Group of America Inc.	United States	Financials	96	14	12
Reliance Steel & Aluminum Co.	United States	Materials	169	22	23
Republic Services Inc.	United States	Industrials	39	4	5
Sarepta Therapeutics Inc.	United States	Health Care	18	4	3
Schneider National Inc.	United States	Industrials	624	20	21
ServiceMaster Global Holdings	United States	Consumer Discretionary	56	3	3
Silgan Holdings Inc.	United States	Materials	239	10	12
Starbucks Corp.	United States	Consumer Discretionary	777	70	89
State Street Corp.	United States	Financials	650	60	51
Synopsys Inc.	United States	Information Technology	262	27	75
Take-Two Interactive Software Inc.	United States	Communication Services	419	70	92
Target Corp.	United States	Consumer Discretionary	144	24	30
Teledyne Technologies Inc.	United States	Industrials	98	34	40
Texas Instruments Inc.	United States	Information Technology	715	81	136
Thermo Fisher Scientific Inc.	United States	Health Care	59	21	35
U.S. Bancorp	United States	Financials	1,524	92	73
UDR Inc.	United States	Real Estate	354	17	15
Union Pacific Corp.	United States	Industrials	15	3	4
United Airlines Holdings Inc	United States	Industrials	54	6	2
United Therapeutics Corp.	United States	Health Care	22	4	3
Veeva Systems Inc. Class A	United States	Health Care	351	105	131
Verizon Communications Inc.	United States	Communication Services	2,049	154	162
Vertex Pharmaceuticals Inc.	United States	Health Care	50	15	18
VICI Properties Inc.	United States	Real Estate	960	27	30
The Walt Disney Co.	United States	Communication Services	176	26	29
Waste Management Inc.	United States	Industrials	591	67	89
The Western Union Co.	United States	Information Technology	635	20	18
Zimmer Biomet Holdings Inc.	United States	Health Care	86	14	16
Zoetis Inc.	United States	Health Care	83	8	18
<b>Total equities</b>				<b>6,010</b>	<b>7,066</b>

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
SPDR S&P 500 ETF Trust	United States	Exchange-Traded Funds/Notes	328	143	146
<b>Total exchange-traded funds/notes</b>				<b>143</b>	<b>146</b>
Transaction costs				(1)	—
<b>Total investments</b>				<b>6,152</b>	<b>7,212</b>
Cash and cash equivalents					66
Other assets less liabilities					4
<b>Total net assets</b>					<b>7,282</b>

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## SUMMARY OF INVESTMENT PORTFOLIO

### September 30, 2020

Portfolio Allocation	% of NAV
Equities	97.0
Exchange-traded funds/notes	2.0
Cash and short-term investments	0.9
Other assets (liabilities)	0.1

### Regional Allocation

Regional Allocation	% of NAV
United States	99.0
Cash and short-term investments	0.9
Other assets (liabilities)	0.1

### Sector Allocation

Sector Allocation	% of NAV
Information technology	26.7
Health care	14.3
Consumer discretionary	11.5
Communication services	10.5
Financials	9.1
Industrials	7.8
Consumer staples	7.1
Utilities	3.0
Real estate	2.5
Energy	2.4
Materials	2.1
Exchange-traded funds/notes	2.0
Cash and short-term investments	0.9
Other assets (liabilities)	0.1

### March 31, 2020

Portfolio Allocation	% of NAV
Equities	96.7
<i>Equities</i>	<i>85.4</i>
<i>Purchased options</i>	<i>11.3</i>
Exchange-traded funds/notes	2.1
Cash and short-term investments	1.3
Other assets (liabilities)	(0.1)

### Regional Allocation

Regional Allocation	% of NAV
United States	98.8
Cash and short-term investments	1.3
Other assets (liabilities)	(0.1)

### Sector Allocation

Sector Allocation	% of NAV
Information technology	21.3
Health care	13.2
Other	11.3
Communication services	9.2
Financials	8.6
Consumer discretionary	8.0
Industrials	7.6
Consumer staples	6.0
Real estate	3.5
Utilities	3.1
Energy	3.0
Exchange-traded funds/notes	2.1
Materials	1.9
Cash and short-term investments	1.3
Other assets (liabilities)	(0.1)

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## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2020 and 2019, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2020, 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 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, 2020. 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 November 10, 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.

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

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

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

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.

### (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 September 30, 2020.

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

### (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.

### (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.

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

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

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

### (k) Mergers

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

## 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 duration and long-term impact of the novel coronavirus (COVID-19) pandemic on businesses and markets, and the extent of additional economic relief measures which may be offered by some governments and central banks, are unknown at the reporting date. The Manager uses judgment in assessing the impact from such events on the assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at September 30, 2020. However, this uncertainty means it is impossible 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 September 30, 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 September 30, 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.

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

(Formerly U.S. Low Volatility Fund (Putnam))

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2020

US EQUITY FUND

## 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.canadalife.com)

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

Q Series, H Series, H5 Series, HW Series, HW5 Series, L Series, L5 Series, N Series, N5 Series, D5 Series, QF Series, QF5 Series, QFW Series and QFW5 Series securities are no longer available for sale, except for additional purchases by investors who have held these securities since September 9, 2020. Before August 14, 2020, Q Series securities were known as Quadrus Series.

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.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2020	Mar. 31, 2020
Q Series <sup>(2)</sup>	July 12, 2016	1.85%	0.28%	11.60	10.79
H Series	July 12, 2016	0.85%	0.15%	12.16	11.25
H5 Series	July 12, 2016	0.85%	0.15%	14.82	14.05
HW Series	August 7, 2018	0.65%	0.15%	10.88	10.04
HW5 Series	August 7, 2018	0.65%	0.15%	14.64	13.86
L Series	July 12, 2016	1.65%	0.15%	11.76	10.92
L5 Series	July 12, 2016	1.65%	0.15%	14.30	13.62
N Series	July 12, 2016	— <sup>(1)</sup>	— <sup>(1)</sup>	12.77	11.75
N5 Series	July 12, 2016	— <sup>(1)</sup>	— <sup>(1)</sup>	15.51	14.63
D5 Series	July 12, 2016	1.85%	0.28%	14.09	13.46
QF Series	July 12, 2016	0.85%	0.28%	12.12	11.22
QF5 Series	July 12, 2016	0.85%	0.28%	14.73	13.98
QFW Series	August 7, 2018	0.65%	0.15%	10.84	10.01
QFW5 Series	August 7, 2018	0.65%	0.15%	14.64	13.86

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

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

### (b) Investments by Mackenzie and Affiliates

As at September 30, 2020, The Canada Life Assurance Company, an affiliate of Mackenzie, had an investment of \$2,746 (March 31, 2020 – \$2,553) in the Fund.

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

(Formerly U.S. Low Volatility Fund (Putnam))

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2020

US EQUITY FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (c) Loss Carryforwards

As at the last taxation year-end, the following losses were available to carryforward for tax purposes. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be utilized to reduce future net income and realized capital gains and expire on December 15 of the years indicated.

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses										
		2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$	2037 \$	2038 \$	2039 \$
159	8	-	-	-	-	-	-	-	2	-	-	6

#### (d) Securities Lending

As at September 30, 2020 and March 31, 2020, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

#### (e) Investments Received as Collateral

As at September 30, 2020, no cash (March 31, 2020 – \$606) have been received from J.P. Morgan as collateral against written options.

#### (f) Name Change

Effective August 14, 2020, the Fund was renamed Canada Life US Low Volatility Fund (Putnam).

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

As at September 30, 2020 and March 31, 2020, there were no amounts subject to offsetting.

#### (h) Subsequent Events

Effective on or about January 1, 2021, the Fund's manager and trustee will change to Canada Life Investment Management Ltd. ("CLIML"), an affiliate of Mackenzie. This change received a positive recommendation from the Mackenzie Funds' Independent Review Committee and is subject to regulatory approval for CLIML to be registered as an investment fund manager.

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

##### i. Risk exposure and management

The Fund seeks long-term capital growth with low volatility by investing primarily in U.S. equities.

##### 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	September 30, 2020			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	7,212	63	-	7,275
Total	7,212	63	-	7,275
% of Net Assets	99.0	0.9	-	99.9

Currency	March 31, 2020			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	6,417	85	-	6,502
Total	6,417	85	-	6,502
% of Net Assets	98.8	1.3	-	100.1

\* Includes both monetary and non-monetary financial instruments

# CANADA LIFE US LOW VOLATILITY FUND (PUTNAM)

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## NOTES TO FINANCIAL STATEMENTS

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

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

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

As at September 30, 2020, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies and options, with all other variables held constant, net assets would have decreased or increased by approximately \$364 or 5.0% of total net assets (March 31, 2020 – \$325 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

##### iii. Interest rate risk

As at September 30, 2020 and March 31, 2020, 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, exchange-traded funds and options. As at September 30, 2020, had the prices on the respective stock exchanges for these securities increased by 10%, with all other variables held constant, net assets would have increased by approximately \$721 or 9.9% of total net assets (March 31, 2020 – \$327 or 5.0%). Similarly, had the prices on the respective stock exchanges for these securities decreased by 10%, with all other variables held constant, net assets would have decreased by approximately \$721 or 9.9% of total net assets (March 31, 2020 – \$249 or 3.8%). In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

As at September 30, 2020 and March 31, 2020, the Fund did not have a significant exposure to credit risk.

#### (j) 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.

	September 30, 2020				March 31, 2020			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	7,066	–	–	7,066	5,552	–	–	5,552
Options	–	–	–	–	–	731	–	731
Exchange-traded funds/notes	146	–	–	146	134	–	–	134
Total	7,212	–	–	7,212	5,686	731	–	6,417

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.

Over-the-counter options classified as Level 2 investments are valued through incorporating observable market data and using standard market convention practices.