

INTERNATIONAL BOND FUND (CLI)

(To be renamed Canada Life International Bond Fund (CLI) on August 17, 2020)

FIXED INCOME FUND

Annual Management Report of Fund Performance

For the Year Ended March 31, 2020

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the Fund's Simplified Prospectus, Annual Information Form and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

CANADA LIFE MUTUAL FUNDS

INTERNATIONAL BOND FUND (CLI)

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Management Discussion of Fund Performance

July 13, 2020

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the year ended March 31, 2020 (the "period"), that have affected the Fund's performance and outlook. If the Fund was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the Fund's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

Investment Objective and Strategies

The Fund seeks interest income with the potential for capital growth by investing primarily in fixed income securities issued by governments, corporations and international agencies anywhere in the world.

Risk

The risks of the Fund remain as discussed in the Fund's initial Simplified Prospectus.

The Fund is suitable for medium-term investors looking for a global fixed income fund to hold as part of their portfolio, who can handle the volatility of bond markets and who have a low to medium tolerance for risk.

The Fund is currently available for investment only by other Mackenzie funds.

Results of Operations

Investment Performance

During the period, the Fund's Series R securities returned 7.7% (after deducting fees and expenses paid by the series). This compares with the ICE BofA Global Broad Market Index return of 10.6%. All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Prices of global government bonds, particularly long-term bonds, rose as yields declined over the period. Investment grade corporate bond prices made smaller gains, while high-yield bond prices fell. Many global central banks reduced key interest rates, first in response to global trade tensions, then in response to the COVID-19 crisis. Yields on 10-year and 30-year U.S. Treasury bonds and Government of Canada bonds fell to record lows. Yields in Europe and Japan, which were already negative, fell further.

The Fund underperformed the index, with overweight exposure to corporate bonds detracting from performance as spreads (the difference in yield between corporate and government bonds of similar maturities) widened dramatically due to the market turmoil caused by the COVID-19 pandemic. Underweight exposure to ultra-long-term bonds also detracted from performance. Contributors to performance included longer duration in European bonds.

The Fund's foreign currency exposure was not hedged. Currency exposure contributed to the performance of both the Fund and the index primarily as the Japanese yen and the U.S. dollar appreciated relative to the Canadian dollar.

Over the period, the Fund increased exposure to corporate bonds as valuations became attractive in the market decline. Market effect resulted in increased exposure to the United States.

Net Assets

The Fund's NAV declined by 0.5% to \$96.8 million at March 31, 2020, from \$97.3 million at March 31, 2019. This change was composed primarily of \$7.8 million in net income (including interest income) from investment performance, after deducting fees and expenses, \$6.6 million in net redemptions, and \$1.8 million in cash distributions.

Fees and Expenses

The management expense ratio ("MER") for Series R of 0.00% during the year ended March 31, 2020, was unchanged from the MER for the year ended March 31, 2019. No management fee or administration fee, other than certain specific fund costs, is charged to Series R.

Recent Developments

Governments worldwide have enacted emergency measures to combat the spread of the COVID-19 virus in the last several months. These measures have caused significant volatility and weakness in global equity markets and material disruption to businesses globally, resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

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

The portfolio management team believes the challenge of lower yields and higher volatility will provide investment opportunities across sectors and debt instruments, as well as in individual bonds. As the markets declined throughout March, the team added new positions in bonds with valuations that had become attractive and whose issuers had strong balance sheet liquidity or access to government support to weather the crisis of COVID-19. The team focused on the highest-quality bonds in non-cyclical sectors, particularly in Europe given the European Central Bank's bond-buying program, and avoided issuers adversely affected by the U.S.–China trade war or that the team believes could face difficulties servicing their debts. Conscious that the pandemic could accelerate downgrades, the team avoided bonds in the travel and leisure industries.

On August 17, 2020, the Fund will be renamed Canada Life International Bond Fund (CLI).

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Related Party Transactions

Investment funds managed by Mackenzie invest in Series R securities of the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. At March 31, 2020, funds managed by Mackenzie owned 100.0% of the Fund's NAV. All related party transactions are based on the NAV per security on each transaction day.

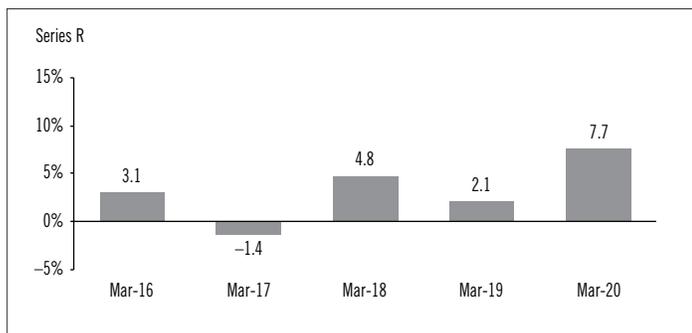
The Fund did not rely on an approval, positive recommendation or standing instruction from the Mackenzie Funds' Independent Review Committee with respect to any related party transactions.

Past Performance

The Fund's past performance information is presented in the following chart and table. It assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series of the Fund. The chart and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

Year-by-Year Returns

The following bar chart presents the performance of Series R of the Fund for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.



Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2020. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Series R	7.7	4.8	n/a	n/a	3.7
ICE BofA Global Broad Market Index	10.6	5.8	n/a	n/a	4.5

The ICE BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities. Qualifying bonds must be rated "BBB" or higher and have a remaining term to maturity of at least one year.

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Summary of Investment Portfolio at March 31, 2020

Portfolio Allocation	% of NAV
Bonds	97.9
Cash and short-term investments	3.2
Other assets (liabilities)	(1.1)

Regional Allocation

	% of NAV
United States	27.5
France	14.0
Japan	12.1
United Kingdom	11.7
Italy	6.5
Germany	6.0
Spain	4.0
Venezuela	3.7
Cash and short-term investments	3.2
Netherlands	3.0
Australia	2.7
South Korea	2.2
Canada	1.8
Mexico	1.4
Switzerland	1.3
Other assets (liabilities)	(1.1)

Sector Allocation

	% of NAV
Corporate bonds	51.7
Foreign government bonds	40.7
Supra-national bonds	3.7
Cash and short-term investments	3.2
Federal bonds	1.8
Other assets (liabilities)	(1.1)

Bonds by Credit Rating*

	% of NAV
AAA	5.7
AA	24.0
A	39.4
BBB	24.4
Unrated	4.4

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

The Fund did not hedge its foreign currency exposure at the end of the period.

Top 25 Positions

Issuer	% of NAV
Corporacion Andina de Fomento 2.125% 09-27-2021	3.7
United States Treasury 3.50% 02-15-2039	3.5
Cash and short-term investments	3.2
Berkshire Hathaway Inc. 0.97% 09-13-2039	2.8
Lloyds Banking Group PLC 0.65% 05-30-2023	2.7
BNP Paribas SA 0.37% 02-28-2023	2.7
SCOR SE 5.25% 03-13-2067 Perpetual Callable 2029	2.6
Sumitomo Life Insurance Co. F/R 09-14-2077 Callable 2027	2.5
Government of Spain 2.15% 10-31-2025	2.4
Barclays PLC 1.88% 12-08-2023	2.3
Export-Import Bank of Korea 0.63% 07-11-2023	2.2
United Kingdom Treasury 4.50% 09-07-2034	2.1
Eni SpA 4.00% 09-12-2023	2.1
Allianz SE F/R 10-29-2049 Callable 2023	2.1
Government of Australia 2.25% 05-21-2028	2.0
AXA SA F/R 01-17-2047 Callable 2027	2.0
United States Treasury 1.75% 05-15-2023	2.0
United States Treasury 2.88% 04-30-2025	2.0
Italy Buoni Poliennali Del Tesoro 1.25% 12-01-2026	1.9
Government of United Kingdom 1.75% 09-07-2037	1.9
Government of Japan 1.20% 09-20-2035	1.9
Orange SA 0.50% 09-04-2032 Callable 2032	1.8
Aeroports de Paris 2.75% 04-02-2030 Callable 2030	1.8
United States Treasury 3.00% 02-15-2049	1.7
Siemens Financieringsmaatschappij NV 3.30% 09-15-2046	1.6

Top long positions as a percentage of total net asset value

57.5

The Fund held no short positions at the end of the period.

The investments and percentages may have changed since March 31, 2020, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

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

Series R	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016
Net assets, beginning of period	10.29	10.28	9.99	10.27	10.00
Increase (decrease) from operations:					
Total revenue	0.21	0.19	0.19	0.16	0.05
Total expenses	-	-	-	-	-
Realized gains (losses) for the period	0.15	(0.01)	(0.13)	(0.16)	0.17
Unrealized gains (losses) for the period	0.44	0.05	0.44	(0.63)	0.09
Total increase (decrease) from operations²	0.80	0.23	0.50	(0.63)	0.31
Distributions:					
From net investment income (excluding dividends)	(0.21)	(0.19)	(0.19)	(0.15)	(0.04)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions³	(0.21)	(0.19)	(0.19)	(0.15)	(0.04)
Net assets, end of period	10.86	10.29	10.28	9.99	10.27

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.

(3) Distributions were paid in cash/reinvested in additional securities of the Fund, or both.

RATIOS AND SUPPLEMENTAL DATA

Series R	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016
Total net asset value (\$000) ¹	96,763	97,269	86,772	77,048	5,287
Securities outstanding (000) ¹	8,911	9,456	8,439	7,716	515
Management expense ratio (%) ²	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) ²	-	-	-	-	-
Trading expense ratio (%) ³	0.00	0.00	0.00	0.00	0.02
Portfolio turnover rate (%) ⁴	35.16	24.12	27.21	59.73	n/a
Net asset value per security (\$)	10.86	10.29	10.27	9.99	10.27

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If in the period a series was established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement. Mackenzie may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.

Management Fees

The Fund pays no management fees on its Series R securities. Management fees from other Mackenzie funds that invest in the Fund were used to pay Canada Life Asset Management Ltd., an affiliate of Mackenzie, for providing investment advisory services, including managing the investment portfolio, providing investment analysis and recommendations, making investment decisions and making brokerage arrangements for the purchase and sale of the investment portfolio.

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Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Annual Information Form.

Date of Formation November 27, 2015

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

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

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

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2020	Mar. 31, 2019
Series R	December 7, 2015	— *	— *	10.86	10.29

* Not applicable.