

Canada Life Mutual Funds

Annual Information Form

June 29, 2021

Canada Life International Bond Fund (CLI) (Series R) *

Canada Life Long Term Bond Fund (Portico) (Series R) *



* The Funds are not available for purchase by retail investors.

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1. NAME, FORMATION AND HISTORY OF THE FUNDS

Introduction

This annual information form contains information concerning the mutual funds listed on the cover (individually, each is a “Fund”, and are collectively referred to as the “Funds”). Each of the Funds is managed by **Canada Life Investment Management Ltd.**, which is also the promoter and/or trustee of the Funds.

To make this document easier to read and understand, we have used personal pronouns throughout much of the text. References to “**CLIML**”, “**our**”, “**we**” or “**us**” generally refer to Canada Life Investment Management Ltd. in its capacity as trustee and/or manager of the Funds. References to “**you**” are directed to the reader as a potential or actual investor in the Funds.

In this document, all of the mutual funds that we manage, including the Funds, are referred to collectively as the “**Canada Life Funds**”, or each individually, as a “**Canada Life Fund**”.

In Canada, a mutual fund can be established as a unit trust or as one or more classes of shares of a corporation. In this document, each Fund has been established as a unit trust.

Funds issue units to investors, which are referred to as a Fund’s “**securities**” in this document.

Address of the Funds and CLIML

Our head office and the sole office of each of the Funds, as well as their mailing address, is located at 255 Dufferin Avenue, London, Ontario, N6A 4K1.

Formation of the Funds

The Funds are currently governed by the terms of a Master Declaration of Trust. The relevant Declaration of Trust is amended each time a new fund or series is created, in order to include the investment objectives and any other information specific to the new Fund. Table 1 below lists the name of each Fund and the date of its formation.

Table 1: Funds’ Date of Declaration of Trust and Formation

Fund	Date of Declaration of Trust	Date of Formation
Canada Life International Bond Fund (CLI)	June 27, 2003	November 27, 2015
Canada Life Long Term Bond Fund (Portico)	June 27, 2003	June 28, 2017

Major Changes to the Funds During the Last 10 Years

To date, the Funds below have experienced the major events set out in Table 2 below since inception:

Table 2: Fund changes since inception

Fund	Effective Date	Change
Canada Life International Bond Fund (CLI)	January 1, 2021 August 14, 2020	<ul style="list-style-type: none">• Change of investment fund manager, trustee and portfolio manager to CLIML• Change of name from International Bond Fund (CLI)
Canada Life Long Term Bond Fund (Portico)	January 1, 2021 August 14, 2020	<ul style="list-style-type: none">• Change of investment fund manager, trustee and portfolio manager to CLIML• Change of name from Long Term Bond Fund (Portico)

2. INVESTMENT RESTRICTIONS AND PRACTICES

National Instrument 81-102

The Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102, *Investment Funds* (“**NI 81-102**”), which are designed in part to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Funds in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations.

Exemptions from NI 81-102

The following provides a description of the exemptions that certain Funds have received from the provisions of NI 81-102, and/or a description of the general investment activity.

1) U.S. Listed ETF Relief

Given the incorporation of the alternative mutual funds into NI 81-102, this ETF Relief is only relevant for U.S. listed exchange traded funds.

The Funds rely on an exemption from the Canadian securities regulatory authorities which allows them to purchase and hold securities of the following types of ETFs (collectively, the “**Underlying ETFs**”):

- a) ETFs that seek to provide daily results that replicate the daily performance of a specified widely quoted market index (the **ETF’s “Underlying Index”**) by a multiple of up to 200% (“**Leveraged Bull ETFs**”), inverse multiple of up to 100% (“**Inverse ETFs**”), or an inverse multiple of up to 200% (“**Leveraged Bear ETFs**”);

- b) ETFs that seek to replicate the performance of gold or silver, or the value of a specified derivative whose underlying interest is gold or silver on an unlevered basis (“**Underlying Gold or Silver Interest**”), or by a multiple of up to 200% (collectively, the “**Leveraged Gold/Silver ETFs**”); and
- c) ETFs that invest directly, or indirectly through derivatives, in physical commodities, including, but not limited to, agriculture or livestock, energy, precious metals and industrial metals, on an unlevered basis (“**Unlevered Commodity ETFs**”, together with the Leveraged Gold/Silver ETFs, collectively, the “**Commodity ETFs**”).

This relief is subject to the following conditions:

- a Fund’s investment in securities of an Underlying ETF must be in accordance with its fundamental investment objectives;
- the securities of the Underlying ETF must be traded on a stock exchange in Canada or the United States;
- a Fund may not purchase securities of an Underlying ETF if, immediately after the transaction, more than 10% of the net asset value (“**NAV**”) of the Fund, taken at market value at the time of the transaction, would consist of securities of Underlying ETFs;
- a Fund may not purchase securities of Inverse ETFs or securities of Leveraged Bear ETFs or sell any securities short if, immediately after the transaction, the Fund’s aggregate market value exposure represented by all such securities purchased and/or sold short would exceed 20% of the NAV of the Fund, taken at market value at the time of the transaction; and
- immediately after entering into a purchase, derivatives or other transaction to obtain exposure to physical commodities, the Fund’s aggregate market value exposure (whether direct or indirect, including through Commodity ETFs) to all physical commodities (including permitted precious metal), does not exceed 10% of the NAV of the Fund, taken at market value at the time of the transaction.

2) Cover relief in connection with certain derivatives

The Funds have received exemptive relief to permit each Fund to use as cover a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap when the Funds open or maintain a long position in a debt-like security that has a component that is a long position in a forward contract or in a standardized future or forward contract, or the Funds enter into or maintain a swap position during periods when the Funds are entitled to receive payments under the swap.

The relief is subject to the following terms:

- when the Funds enter into or maintain a swap position for periods when the Funds would be entitled to receive fixed payments under the swap, the Funds hold
 - cash cover in an amount that, together with margin on account for the swap and the market value of the swap, is not less than, on a daily mark-to-market basis, the underlying market exposure of the swap;
 - a right or obligation to enter into an offsetting swap on an equivalent quantity and with an equivalent term and cash cover that, together with margin on account for the position, is not less than the aggregate amount if any, of the obligations of the Funds under the swap less the obligations of the Funds under such offsetting swap; or
 - a combination of the positions referred to in the preceding two subparagraphs that is sufficient, without recourse to other assets of the Funds, to enable the Funds to satisfy their obligations under the swap;

- when the Funds open or maintain a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract, the Funds hold
 - cash cover in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative;
 - a right or obligation to sell an equivalent quantity of the underlying interest of the future or forward contract, and cash cover that, together with margin on account for the position, is not less than the amount, if any, by which the market price of the future or forward contract exceeds the strike price of the right or obligation to sell the underlying interest; or
 - a combination of the positions referred to in the preceding two subparagraphs that is sufficient, without recourse to other assets of the Funds, to enable the Funds to acquire the underlying interest of the future or forward contract;

- the Funds will not
 - purchase a debt-like security that has an option component or an option; or
 - purchase or write an option to cover any position under section 2.8(1)(b), (c), (d), (e) or (f) of NI 81-102 if, immediately after the purchase or writing of such option, more than 10% of the NAV of the Funds at the time of the transaction would be made up of (i) purchased debt-like securities that have an option component or purchased options, in each case, held by the Funds for purposes other than hedging, or (ii) options used to cover any position under subsections 2.8(1)(b), (c), (d) (e) or (f) of NI 81-102.

3) Foreign Sovereign Debt Investment Relief

Canada Life International Bond Fund (CLI) has obtained regulatory approval to invest up to:

- (A) 20% of its net assets, taken at market value at the time of purchase, in government-issued or guaranteed debt securities of any one issuer with a credit rating of “AA” or higher; and
- (B) 35% of its net assets in government-issued or guaranteed debt securities of any one issuer with a credit rating of “AAA” or higher.

This approval is subject to conditions, including the following:

- the two exemptions described above may not be combined for any one issuer;
- the securities that are purchased must be traded on a mature and liquid market; and
- the acquisition of the securities purchased must be consistent with the fundamental investment objectives of the Fund.

Standard Investment Restrictions and Practices

The remaining standard investment restrictions and practices set out in NI 81-102 are deemed to be included in this annual information form. A copy of the investment restrictions and practices adopted by the Funds will be provided to you upon request by writing to us at the address shown under “**Name, Formation and History of the Funds**”.

As permitted under National Instrument 81-107 *Independent Review Committee for Investment Funds* (“**NI 81-107**”), the Funds may engage in inter-fund trades subject to certain conditions, including, for exchange-traded securities, that the trades are executed using the current market

price of a security rather than the last sale price before the execution of the trade. Accordingly, the Funds have obtained exemptive relief to permit the Funds to engage in inter-fund trades if the security is an exchange-traded security, executed at the last sale price, immediately before the trade is executed, on an exchange upon which the security is listed or quoted.

Approval of the Independent Review Committee

The Independent Review Committee (“**IRC**”) of the Canada Life Funds under National Instrument 81-107 *Independent Review Committee For Investment Funds* (“**NI 81-107**”) has approved a standing instruction to permit the Funds to invest in certain issuers related to us as provided for in NI 81-107. Issuers related to us include issuers that control CLIML or issuers that are under common control with CLIML. We have determined that, notwithstanding the specific provisions of NI 81-107 and the standing instruction that has been adopted, it would be inappropriate for the Funds to invest in securities issued by Great-West Lifeco Inc., which indirectly owns 100% of the outstanding common shares of CLIML. The IRC monitors the investment activity of the Funds in related issuers at least quarterly. In its review, the IRC considers whether investment decisions

- have been made free from any influence by, and without taking into account any consideration relevant to, the related issuer or other entities related to the Funds or CLIML;
- represent our business judgment, uninfluenced by considerations other than the best interests of the Funds;
- have been made in compliance with our policies and the IRC’s standing instruction; and
- achieve a fair and reasonable result for the Funds.

The IRC must notify securities regulatory authorities if it determines that we have not complied with any of the above conditions.

For more information about the IRC, see “**Fund Governance – Canada Life Funds’ Independent Review Committee**”.

Change of Investment Objectives and Strategies

A change in a Fund’s investment objectives can only be made with the consent of the investors in the Fund at a meeting called for that purpose. The investment strategies explain how the Fund intends to achieve its investment objectives. As manager of the Funds, we may change the investment strategies from time to time, but will give you notice, by way of a press release, of our intention to do so if it would be a material change as defined in NI 81-106. Under NI 81-106, a change in the business, operations or affairs of a Fund is considered to be a “material change” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold securities of the Fund.

3. DESCRIPTION OF SECURITIES

Each Fund is associated with a specific investment portfolio and specific investment objectives and strategies, and may offer new series, or cease to offer existing series, at any time without notice to you and without your approval.

Each Fund is entitled to the total return (including realized and unrealized gains) on the portfolio assets of that Fund, less the portion of management fees, administration fees and fund costs attributable to that Fund.

The series of each Fund are entitled to share *pro rata* in the net return of that Fund. The series of each Fund also have the right to receive distributions/dividends, when declared, and to receive, upon redemption, the NAV of the series.

Series of Securities

The expenses of each series of the Canada Life Funds are tracked separately and a separate NAV is calculated for each series. Although the money which you and other investors pay to purchase securities of each series, and the expenses of each series, are tracked on a series-by-series basis in your Fund's administration records, the assets of all series of your Fund are combined into a single pool to create one portfolio for investment purposes.

The Funds currently have only Series R securities outstanding which are generally used for our fund-of-funds arrangements. Currently, the Series R securities are available only to other Canada Life Funds and certain institutional investors for our fund-of-fund arrangements. There are no management fees charged by us on the Series R securities. Series R is offered on an exempt-distribution basis.

Distributions

The Funds intend to distribute sufficient net income (including where applicable, Canadian dividends) and net capital gains to investors each year to ensure that the Fund does not pay ordinary income tax under Part I of the *Income Tax Act* (Canada) (the "**Tax Act**"). The Funds may also distribute returns of capital. A Fund may pay a distribution of net income, net capital gains and/or returns of capital at such time or times as we, acting as manager, in our discretion, determine.

The net income and net capital gains of the Fund will be distributed first to pay any management expense distributions to investors who are entitled to benefit from a reduction in the management fee. For more information, see "**Fees and Expenses.**"

A Fund may allocate net capital gains as a redemption distribution to an investor who redeems that Fund's securities. Provided that certain proposed amendments to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof are enacted as proposed, an amount so allocated and designated to a redeeming unitholder will only be deductible to a Fund to the extent of the gain that would otherwise be realized by that unitholder on the redemption of the units. Any remaining net income or net capital gains of a Fund to be distributed will be allocated among the series of securities of the Fund based on the relative NAVs of the series and on each series' expenses available to offset net income or net capital gains on or before the date of the distribution and distributed pro rata to investors in each series on the distribution payment date. Any such distribution will occur on or about the business day following the distribution record date or dates, at our discretion.

Liquidation or Other Termination Rights

If a Fund, or a particular series of securities of a Fund, is ever terminated, each security that you own will participate equally with each other security of the same series in the assets of the Fund attributable to that series after all of the Fund's liabilities (or those allocated to the series of securities being terminated) have been paid or provided for.

Redemption Rights

Securities of the Funds may be redeemed as described under "**How to Redeem Securities**".

Voting Rights and Changes Requiring Investor Approval

You have the right to exercise one vote for each security held at meetings of all investors of your Fund and at any meetings held solely for investors of that series of securities. We are required to convene a meeting of investors of a Fund to ask them to consider and approve, by not less than

a majority of the votes cast at the meeting (either in person or by proxy), any of the following material changes if they are ever proposed for the Fund:

- a new contract as a result of which the basis of the calculation of management fee rates or of other expenses that are charged to a Fund or to you could result in an increase in charges to a Fund or to you, unless
 - the contract is an arm's length contract with a party other than us or an associate or affiliate of ours for services relating to the operation of a Fund, and
 - you are given at least 60 days' written notice of the effective date of the proposed change, or unless (i) the mutual fund is permitted to be described as "no-load", and (ii) the investors are given at least 60 days' written notice of the effective date of the proposed change. Similarly, the introduction of certain new fees by us for the Fund which may be payable by the Fund or investors of the Fund would also require the approval of a majority of the votes cast at a meeting of investors of the Fund;
- a change of the manager of a Fund (other than a change to an affiliate of ours);
- any change in the investment objectives of a Fund;
- any decrease in the frequency of calculating the NAV for each series of securities;
- certain material reorganizations of a Fund; and
- any other matter which is required by the constating documents of a Fund, by the laws applicable to a Fund, or by any agreement to be submitted to a vote of the investors in a Fund.

Other Changes

You will be provided at with least 60 days' written notice of

- a change of auditor of the Fund; and
- certain reorganizations with, or transfer of assets to, another mutual fund if the Fund will cease to exist thereafter and you will become a securityholder of the other Fund (otherwise an investor vote will be required).

We generally provide at least 30 days' notice to you (unless longer notice requirements are imposed under securities legislation) to amend the applicable Declaration of Trust in the following circumstances:

- when the securities legislation requires that written notice be given to you before the change takes effect; or
- when the change would not be prohibited by the securities legislation and we reasonably believe that the proposed amendment has the potential to adversely impact your financial interests or rights, so that it is equitable to give you advance notice of the proposed change.

We are also generally entitled to amend the applicable Declaration of Trust, without prior approval from or notice to you, if we reasonably believe that the proposed amendment does not have the potential to adversely affect you or

- to ensure compliance with applicable laws, regulations or policies;
- to protect you;
- to remove conflicts or inconsistencies between the Declaration of Trust and any law, regulation or policy affecting the Fund, trustee or its agents;
- to correct typographical, clerical or other errors; or

- to facilitate the administration of the Fund or to respond to amendments to the Income Tax Act (Canada) (the “**Tax Act**”) which might adversely affect the tax status of the Fund or you if no change is made.

4. VALUATION OF PORTFOLIO SECURITIES

The portfolio securities of each Fund are valued as at the close of trading on the Toronto Stock Exchange (the “**TSX**”) (the “**valuation time**”) on each trading day. A “**trading day**” is any day that the TSX is open for trading. The value of the portfolio securities and other assets of each Fund is determined by applying the following rules:

- Cash on hand or on deposit, bills and notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received are generally valued at their full amount, unless we have determined that any of these assets are not worth the full amount, in which event, the value shall be deemed to be the value that we reasonably deem to be the fair value.
- Precious metals (certificates or bullion) and other commodities are valued at their fair market value, generally based on prevailing market prices as reported on exchanges or other markets.
- Portfolio securities listed on a public securities exchange are valued at their close price or last sale price reported before the valuation time on that trading day. If there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.
- Unlisted portfolio securities of the Funds traded on an over-the-counter market are valued at the last sale price reported before the valuation time on that trading day. If no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.
- Notwithstanding the foregoing, if portfolio securities are inter-listed or traded on more than one exchange or market, we shall use the close price or last sale price or the average of the last bid and ask prices, as the case may be, reported before the valuation time on the exchange or market that we determine to be the principal exchange or market for those securities.
- Fixed-income securities listed on a public securities exchange will be valued at their close price or last sale price before the valuation time on that trading day, or if there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, at the average of the last bid and ask prices before that time on that trading day.
- Non-exchange traded fixed-income securities of the Funds are valued at their fair value based on prices supplied by established pricing vendors, market participants or pricing models, as determined before the valuation time on that trading day.
- Where a Fund owns securities issued by another mutual fund (an “**Underlying Fund**”), the securities of the Underlying Fund are valued at the price calculated by the manager of the other mutual fund for the applicable series of securities of the other mutual fund for that trading day in accordance with the constating documents of the other mutual fund.
- Long positions in options, debt-like securities and warrants are valued at the current market value of their positions.
- Where an option is written by a Fund, the premium received by the Fund for those options is reflected as a deferred credit. The deferred credit is valued at an amount equal to the current market value of the option which would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in calculating the NAV of the Fund. The Fund’s portfolio securities which are the subject of a written option shall continue to be valued at their current market value as determined by us.

- Foreign currency hedging contracts are valued at their current market value on that trading day with any difference resulting from revaluation being treated as an unrealized gain or loss on investment.
- The value of a forward contract or swap is the gain or loss on the contract that would be realized if, on that trading day, the position in the forward contract or the swap were to be closed out.
- The value of a standardized future is,
 - if the daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on that trading date, the position in the standardized future was closed out, or
 - if the daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future.
- Margin paid or deposited on standardized futures or forward contracts is reflected as an account receivable and margin consisting of assets other than cash is noted as held as margin.
- Portfolio securities, the resale of which are restricted or limited by law or by means of a representation, undertaking or agreement by the Fund are valued at the lesser of
 - their value based upon reported quotations in common use on that trading day; and
 - the market value of portfolio securities of the same class or series of a class, whose resale is not restricted (the “related securities”) less a discount which reflects the difference between the acquisition cost of the securities versus the market value of the related securities on the date of the purchase; this amount decreases over the restricted period in proportion until the securities are no longer restricted;
- Portfolio securities that are quoted in foreign currencies are converted to Canadian dollars using an exchange rate as of the close of the North American markets on that trading day.
- Notwithstanding the foregoing, portfolio securities and other assets for which market quotations are, in our opinion, inaccurate, unreliable, not reflective of all available material information or not readily available, are valued at their fair value as determined by us.

If a portfolio security cannot be valued under the foregoing rules or under any other valuation rules adopted under applicable securities laws, or if any rules we have adopted are not set out under applicable securities laws but at any time are considered by us to be inappropriate under the circumstances, then we will use a valuation that we consider to be fair, reasonable and in your best interest. In those circumstances, we would typically review current press releases concerning the portfolio security, discuss an appropriate valuation with other portfolio managers, analysts, the Investment Funds Institute of Canada and consult other industry sources to set an appropriate fair valuation. If at any time the foregoing rules conflict with the valuation rules required under applicable securities laws, we will follow the valuation rules required under applicable securities laws.

The constating documents of each of the Funds contain details of the liabilities to be included in calculating the NAV for each series of securities of each of the Funds. The liabilities of a Fund include, without limitation, all bills, notes and accounts payable, all management fees, administration fees and fund costs payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by us for taxes (if any) or contingencies and all other liabilities of the Fund. We will determine in good faith whether such liabilities are series expenses or common expenses of the Funds. In calculating the NAV for each

series of securities, we will use the latest reported information available to us on each trading day. The purchase or sale of portfolio securities by a Fund will be reflected in the first calculation of the NAV for each series of securities after the date on which the transaction becomes binding.

Within the past three (3) years, we have not exercised our discretion to deviate from the Funds' valuation practices described above.

Differences from IFRS

In accordance with amendments to National Instrument 81-106 *Investment Fund Continuous Disclosure*, the fair value of a portfolio security used to determine the daily price of a Fund's securities for purchases and redemptions by investors will be based on that Fund's valuation principles set out above, which may not be the same as the requirements of International Financial Reporting Standards ("**IFRS**"). Hence, the reported value of securities held by a Fund may differ from what is reported in the annual and interim financial statements.

5. CALCULATION OF NET ASSET VALUE

The NAV of a Fund, as of any valuation time, is the market value of the Fund's assets less its liabilities.

After the close of business on each trading day, we will calculate a separate NAV for each series of securities of each Fund, as applicable, because management fees, administration fees and fund costs for each series are different.

For each series of each Fund, the NAV per security is calculated by

- **adding** up the series' proportionate share of the cash, portfolio securities and other assets of the Fund;
- **subtracting** the liabilities applicable to that series of securities (which includes the series' proportionate share of common liabilities, plus liabilities directly attributable to the series); and
- **dividing** the net assets by the total number of securities of that series owned by investors.

The NAV per security applied to purchase and redemption orders of securities of each Fund will generally increase or decrease on each trading day as a result of changes in the value of the portfolio securities owned by the Fund. When dividends or distributions (other than management expense distributions) are declared by a series of a Fund, the NAV per security of that series will decrease by the per-security amount of the dividends or distributions on the payment date.

The NAV per security for purchases and redemptions of securities of the Funds is the value first calculated after the receipt by us of all appropriate documents pertaining to a purchase or redemption order.

The NAV of each Fund and the NAV per security is available to the public at no cost by calling 1-888-532-3322.

6. PURCHASES AND SWITCHES

Purchases and Switches of Securities

Series R securities of the Funds are generally available for purchase by other Canada Life Funds and by certain other institutional investors, all of whom are "accredited investors" on a no-load basis.

Switches of Series R securities of the Funds are generally not permitted; however, Series R securities of the Funds may be redeemed. See “**How to Redeem Securities**” below.

The issue price of the securities is based on the Fund’s NAV for that series of securities next calculated after your purchase order has been received in good order. We must receive the application form and money within two (2) trading days of your purchase order subject to regulatory requirements.

If we have not received payment by the end of the second trading day after your purchase order is placed, we are required by law to redeem the securities on the next trading day. If the amount received on the redemption exceeds what you would have paid for the securities, the Fund must keep the surplus. However, if your purchase obligation exceeds the amount received on the redemption (which will occur if the Fund’s NAV has declined since the date of your purchase order), you will be required to pay the Fund the amount of the deficiency, plus any additional expenses of processing the redemption order.

7. HOW TO REDEEM SECURITIES

Redemption of Securities

You may redeem other securities of the Funds through the administrator of the Fund, Mackenzie Financial Corporation (“**Mackenzie Investments**”). There is no charge to redeem Series R. For purposes of this section, references to “our”, “we” or “us” generally refer to Mackenzie Investments in its capacity as administrator of the Funds. If we receive your order before 4:00 p.m. (Toronto time) on any day on which the Toronto Stock Exchange is open for trading (a “**trading day**”), we will process your order at the NAV per security calculated later that day. Otherwise, we will process your order at the NAV per security calculated on the next trading day. We may process orders at an earlier time if the Toronto Stock Exchange closes for trading earlier on a particular day. (Orders received after that earlier closing time would be processed on the next trading day).

The amount that you will receive for your redemption order is based on the series NAV per security that is next calculated for that series of securities after your redemption order has been received in good order. Your redemption order must be in writing. If you have a security certificate, you must present the certificate at the time of your redemption request. To protect you from fraud, for redemptions above certain dollar amounts, your signature on your redemption order (and certificate, if applicable) must be guaranteed by one of a bank, trust company, member of a recognized stock exchange or any other organization satisfactory to us.

If you request more than one redemption at a time, your redemption requests will be processed in the order in which they are received.

If we do not receive everything we need to complete your redemption order within ten (10) trading days after the redemption date, under securities law, we are required on that tenth (10th) trading day to purchase the same number of securities that you redeemed. We will apply your redemption proceeds to the payment required for those securities. If the NAV per security has decreased since the redemption date, the Fund must keep the excess proceeds. If the NAV per security has increased since that date, you will be required to pay the Fund the deficiency and any additional expenses of processing the repurchase order.

Suspension of Redemption Rights

We may suspend the redemption of securities of a Fund or may postpone the date of payment upon redemption

- during any period when normal trading is suspended on a stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and traded or on which specified derivatives are traded, which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities, and if those portfolio securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund, or
- with the prior permission of the Ontario Securities Commission (the “**OSC**”).

For the purposes of making this determination, the Fund will also be considered to own directly the securities owned by any Underlying Fund whose securities are owned by the Fund.

During any period of suspension, there will be no calculation of the NAV for any series of securities of the Fund and the Fund will not be permitted to issue or redeem any securities.

The issue and redemption of securities and the calculation of the NAV for each series of securities will resume

- if the suspension resulted from the suspension or normal trading on one or more exchanges, when normal trading resumes on these exchanges
- if the suspension occurred with the prior permission of the Ontario Securities Commission (“OSC”), when the OSC declares the suspension ended.

In the event of a suspension,

- if you have placed a purchase order for a series of securities of the Fund, you may either withdraw the purchase order prior to termination of the suspension or receive securities of the series based on the series NAV per security next calculated after the termination of the suspension; and
- if you have requested the redemption of securities of the Fund, but the redemption proceeds cannot be calculated because of the suspension, you may either withdraw your request prior to termination of the suspension, or in the case of redemption, receive payment based on the series NAV per security, less the applicable redemption charge, if any, next calculated after the termination of the suspension; or
- if we have received your redemption request and the redemption proceeds have been calculated prior to a suspension, but payment of the redemption proceeds has not yet been made, the Fund will pay your redemption proceeds to you during the suspension period.

8. RESPONSIBILITY FOR FUND OPERATIONS

Management Services

We are the manager and trustee of each of the Funds. You may contact us concerning the Funds or your accounts at: Canada Life Investment Management Ltd. 255 Dufferin Avenue, London, ON, N6A 4K1.

Telephone: 1-800-387-0614

Website: www.canadalifeinvest.ca

E-mail: service@mackenzieinvestments.com

The documents comprising each Fund’s permanent information record and the registers of investors of each of the Funds are maintained at our office in Toronto.

In our capacity as manager of the Funds, we provide the staff necessary to conduct the Funds’ day-to-day operations under the terms of the Master Management Agreements described under

“Material Contracts”. The services that we provide, or cause to be provided, to the Funds, as manager, include the following:

- in-house portfolio managers or arranging for external sub-advisors to manage the Funds’ portfolios;
- fund administration personnel to process portfolio trades and to provide daily calculations of the value of the Funds’ portfolio securities, the NAV of the Funds, and the NAV per security for each series of the Funds;
- transfer agent/registrar personnel to process purchase and redemption orders;
- customer service personnel to respond to dealer and investor enquiries concerning investor accounts; and
- all other support personnel to ensure that the Funds’ operations are conducted in an efficient manner.

From time to time, we engage outside parties as agents to assist us in providing management and administrative services to the Funds. As manager of the Funds, we determine the terms of engagement and compensation payable by the Funds to those agents. We have engaged sub-advisors with specialized skills, or geographic expertise pertinent to local markets, who provide portfolio management services and portfolio security selection for all or part of a Canada Life Fund’s portfolio. In the case of sub-advisors, we are responsible for payment of their compensation out of our management fees received from the Canada Life Funds, as applicable, and for monitoring their compliance with the Funds’ investment objectives and strategies, but we do not pre-approve their trades on behalf of the Funds. For more information about these sub-advisors, see **“Material Contracts”**. We have also engaged Mackenzie Financial Corporation (**“Mackenzie Investments”**) as Fund Administrator. For more information about Mackenzie Investments, please see **“Material Contracts.”**

Directors and Executive Officers of CLIML

The names, municipalities of residence and principal occupations during the preceding five (5) years for each of the directors and executive officers of CLIML are set out in Table 4 and Table 5 below. Only the current position of executive officers who have been with us for more than five (5) years is shown.

Table 4: Directors of CLIML

Name and Municipality of Residence	Position
Paul Orlander Toronto, Ontario	Director and Chair, CLIML; EVP, Individual Customer of The Canada Life Assurance Company; Director and Chair, Quadrus Investment Services Ltd. (“Quadrus”); Previously: SVP, TD Bank; Director and Officer, TD Asset Management, Director and Officer, TD Investment Services Inc.,
Ruth Ann McConkey Toronto, Ontario	Director, CLIML; SVP, Investments, The Canada Life Assurance Company; VP, Mortgage Investments, 6855572 Manitoba Ltd; Previously: Vice Chair, GLC Asset Management Group Ltd.; Director, GWL Realty Advisors Inc.; President, UDP and Director, GLC Asset Management Group Ltd.; Director, Quadrus
Amy Metzger London, Ontario	Director, CLIML; VP & Chief Compliance Officer, Canadian Compliance, The Canada Life Assurance Company; Previously: Director of Corporate Compliance, The Canada Life Assurance Company; Senior Counsel, The Canada Life Assurance Company

Name and Municipality of Residence	Position
Chris Zaplitny Winnipeg, Manitoba	Director, CLIML; VP, Corporate Financial Reporting, The Canada Life Assurance Company; CFO & Director, 7419521 Manitoba Ltd.; CFO & Director, 7419539 Manitoba Ltd.; VP & CFO, MAM Holdings Inc.; VP, GWL THL Private Equity I Inc.; VP, GWL THL Private Equity II Inc.; Director & Treasurer, Canada Life Mortgage Services Ltd.; Director, 6855572 Manitoba Ltd.;

Table 5: Executive Officers of CLIML

Name and Municipality of Residence	Position
Steve Fiorelli Toronto, Ontario	Chief Executive Officer, CLIML; SVP, Wealth Solutions, The Canada Life Assurance Company; Previously: VP, Imperial Service, CIBC; VP, Client Relations, CIBC; Managing Director, Wealth Management & Client Experience, CIBC; Managing Director, Product & Advisor Services, CIBC;
Jeff Van Hoeve London, Ontario	Chief Financial Officer, CLIML; Chief Financial Officer, Treasurer & Director, Quadrus; SVP Finance, Individual Customer, The Canada Life Assurance Company; Previously: SVP Distribution Support Services, The Canada Life Assurance Company
Michelle Mallette London, Ontario	Chief Compliance Officer, CLIML; Previously: Director, Compliance, CLIML; Manager, Operations & Compliance, GLC Asset Management Group Ltd.

Portfolio Management Services

Although we are the portfolio manager for all of the Funds, the portfolio investments of the Funds are either managed directly by us or by sub-advisors hired by us.

Each of the portfolio managers has primary responsibility for the investment advice given to the accounts that he/she manages or co-manages. On a continuing basis, each portfolio manager evaluates the accounts for which he/she has responsibility, including the percentage that is invested in a type of security generally or in a particular security, diversification of holdings among industries and, in general, the makeup of the account.

Under securities law, we are required to advise you that there may be difficulty enforcing legal rights against a portfolio manager or sub-advisor if the portfolio manager or sub-advisor is resident outside Canada. At present, Canada Life Asset Management Limited, the sub-advisor of Canada Life International Bond Fund (CLI) is the only sub-advisor of the Funds not registered with a securities authority in Canada. As manager of the Funds, we are responsible for the sub-advisors' compliance with the overall investment objectives and strategies of the Funds but do not provide prior approval or review of specific portfolio security investment decisions taken by any sub-advisor.

Details of the portfolio management agreements entered into between us and the sub-advisor firms are set out below and under "**Material Contracts**".

Tables 5 and 6 below describe the portfolio manager or sub-advisor and its principal location and, the lead portfolio managers for each Fund, their years of service with that firm and their most recent five (5) years' business experience.

The following individuals are principally responsible for portfolio investment for the Funds:

Canada Life Asset Management Limited (“CLI”), London, England

CLI is the sub-advisor for Canada Life International Bond Fund (CLI). The following individual is principally responsible for the portfolio investment decisions for this Fund:

Table 5: Portfolio Manager of CLI

Name and Title	With firm since	Principal occupation in previous 5 years
David Arnaud, Senior Fund Manager	2006	Fund Manager

Canada Life Investment Management Ltd. (“CLIML”), London, Ontario

CLIML manages Canada Life Long Term Bond Fund (Portico). The following individual is principally responsible for the portfolio investment decisions for this Fund:

Table 6: Portfolio Manager of CLIML

Name and Title	With firm since	Principal occupation in the last 5 years
Alexa Richardson, Senior Director, Bond Investments	2021	Portfolio Manager and Analyst; prior thereto Portfolio Manager and Analyst, GLC Asset Management Ltd. (2007-2020)

Brokerage Arrangements

Investment portfolio brokerage transactions for the Funds are arranged by us as manager/ portfolio manager, where applicable or by the applicable sub-advisors through a large number of brokerage firms. Brokerage fees for the Funds are usually paid at the most favourable rates available to us or the respective portfolio managers or sub-advisors, based on their respective entire volumes of Fund trading as managers and/or portfolio managers or sub-advisors of significant mutual fund and other assets and subject to the rules of the appropriate stock exchange. Many of the brokerage firms who carry out brokerage transactions for the Funds may also sell securities of those Funds to their clients. Investment portfolio brokerage transactions carried out by Funds with sub-advisors will be allocated in accordance with their existing brokerage policies.

From time to time, we and certain sub-advisors may also allocate brokerage transactions to compensate brokerage firms for general investment research, including provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics, trading data and other services that assist in carrying out investment decision-making services to the Funds for the portfolio management services that we or the sub-advisors provide. Such transactions will be allocated with appropriate regard to the principles of a reasonable brokerage fee, benefit to the Funds and best execution of the brokerage transactions. We or the sub-advisor will attempt to allocate the Funds' brokerage business on an

equitable basis, bearing in mind the above principles. Neither we nor the sub-advisor is under a contractual obligation to allocate brokerage business to any specific brokerage firm. Other than fund-on-fund investments for certain Canada Life Funds, brokerage transactions are not carried out through us or any companies that are affiliated with us.

Since the date of the last annual information form, certain third party companies may have provided certain services to us, or to certain sub-advisors, on behalf of the Funds and contributions were paid for by the Funds (also known as “**soft dollars**”), including the provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics. For more information and to obtain the name of these companies, you can contact us at 1-800-387-0614 or by email at service@mackenzieinvestments.com. Please note that we face a potential conflict of interest by obtaining services using soft dollars. This conflict exists because we are able to use these services to manage the Funds without paying cash for these services. This reduces our expenses to the extent that we would have paid for these services directly had they not been paid for using soft dollars. Certain funds may generate soft dollars used to purchase services that ultimately benefit other funds for which we, or the applicable sub-advisor, provides portfolio management services, effectively cross-subsidizing the other Funds that benefit directly from the service. For instance, fixed-income funds normally do not generate soft dollars to pay for products. Therefore, where services used to manage fixed-income funds are paid for using soft dollars, the soft dollars have been generated entirely by equity funds. In other words, the fixed income funds receive the benefit of these services even though they have been paid for by the equity funds.

Trustee

We are the trustee of the Funds. Under the Master Declaration of Trust for the Funds, the trustee may resign upon 90 days’ notice. Pursuant to the Declarations for these Funds, where the trustee resigns, is removed or is otherwise incapable of acting, the manager can appoint a successor trustee. Prior written notice and investor approval of the appointment of a successor trustee is not required if we resign in favour of an affiliate. See also “**Voting Rights and Changes Requiring Investor Approval**”.

Custodian

Pursuant to a Master Custodian Agreement (as defined below) between CLIML, on behalf of the Funds, and CIBC Mellon Trust Company (“**CIBC Mellon**”), Toronto, Ontario, CIBC Mellon has agreed to act as custodian for the Funds. The details of the Master Custodian Agreement are set out under “**Material Contracts**” below.

The custodian receives and holds all cash, portfolio securities and other assets of each Fund for safekeeping and will act upon the instructions of CLIML with respect to the investment and reinvestment of each Fund’s assets from time to time. Under the terms of the custodian agreement and subject to the requirements of the Canadian Securities Administrators, the custodian may appoint one or more sub-custodians to facilitate effecting portfolio transactions outside of Canada. The fees for custody safekeeping services are calculated on an individual-Fund basis according to that Fund’s cash and securities on deposit with the custodian and paid by CLIML or Mackenzie Investments out of the Administration Fee it receives from the Funds. The fees for securities transactions are calculated on an individual-Fund basis according to the portfolio security transactions undertaken for the Fund and are paid by the Funds.

Other than cash or securities that may be deposited as margin, CIBC Mellon will hold all of the Funds’ Canadian cash, securities and other assets in Toronto. Foreign securities and related cash accounts will be held either at an office of CIBC Mellon or by its sub-custodians.

Securities Lending Agent

CLIML, on behalf of the Funds, has entered into a Securities Lending Authorization Agreement dated December 31, 2020, as amended, with Canadian Imperial Bank of Commerce of Toronto, Ontario and The Bank of New York Mellon (“**BNY Mellon**”) of New York, New York (the “**Securities Lending Agreement**”).

The securities lending agents are not our affiliate or our associate. The Securities Lending Agreement appoints and authorizes Canadian Imperial Bank of Commerce and BNY Mellon to act as agent for securities lending transactions for those Funds that engage in securities lending and to execute, in the applicable Fund’s name and on its behalf, securities lending agreements with borrowers in accordance with NI 81-102. The Securities Lending Agreement requires that the collateral received by a Fund in a securities lending transaction must generally have a market value of 105%, but never less than 102%, of the value of the securities loaned. Under the Securities Lending Agreement, Canadian Imperial Bank of Commerce and BNY Mellon agree to indemnify us from certain losses incurred in connection with its failure to perform any of its obligations under the Securities Lending Agreement. The Securities Lending Agreement may be terminated at any time at the option of either party upon 30 days’ prior notice to the other party.

Fund Administrator

Mackenzie Investments is the Fund Administrator. The Fund Administrator is responsible for certain aspects of the day-to-day administration of the Funds, including, without limitation, financial reporting, communications to investors and securityholder reporting, maintaining the books and records of the Funds, NAV calculations, and processing orders for securities of the Funds.

Canada Life Funds’ Independent Review Committee

For information on the Canada Life Funds’ Independent Review Committee and the role it fulfils with respect to the Funds, please see “**Fund Governance – Canada Life Funds’ Independent Review Committee**”.

Auditor

The auditor of the Funds is Deloitte LLP, Chartered Professional Accountants, Toronto, Ontario.

9. CONFLICTS OF INTEREST

Principal Holders of Securities

Shares of CLIML

Great-West Lifeco Inc. indirectly owns all of the outstanding voting shares of CLIML. As of May 31, 2021, Power Financial Corporation, directly and indirectly, owns 620,250,032 common shares of Great-West Lifeco Inc., representing 66.731% of the outstanding voting shares of Great-West Lifeco Inc. (excluding 0.016% held by The Canada Life Assurance Company in its segregated funds or for similar purposes). Power Corporation of Canada owned, directly and indirectly, 100% of the outstanding voting shares of Power Financial Corporation. The Desmarais Family Residuary Trust, a trust for the benefit of the members of the family of the late Mr. Paul G. Desmarais, has voting control, directly and indirectly, of Power Corporation of Canada.

Directors and Executive Officers of CLIML

As of May 31, 2021, the directors and executive officers of CLIML beneficially owned, directly or indirectly, in aggregate less than 1% of (a) the common shares of Great-West Lifeco Inc.; and (b) the common shares of any service provider to CLIML or the Funds.

Independent Review Committee

As of May 31, 2021, the members of the Independent Review Committee beneficially owned, directly or indirectly, in aggregate, less than 1% of (a) the common shares of Great-West Lifeco Inc.; and (b) the common shares of any service provider to us or the Funds.

Securities of the Funds

As of May 31, 2021, the only persons known to us to own, beneficially or of record, directly or indirectly, more than 10% of the outstanding securities of the Funds were the investors identified in Table 7.

Table 7: Fund series of which a single investor owns more than 10%

Investor	Fund	Series	Number of Securities	% of Series
Canada Life Global Monthly Income Fund (London Capital)	Canada Life International Bond Fund (CLI)	R	2,889,711	33.80
Canada Life Diversified Fixed Income Folio Fund			1,023,241	11.97
Canada Life Balanced Folio Fund			1,818,165	21.27
Canada Life Conservative Folio Fund			1,454,809	17.02
Canada Life Diversified Fixed Income Folio Fund	Canada Life Long Term Bond Fund (Portico)	R	853,476	33.15
Canada Life Conservative Folio Fund			973,886	37.83
Canada Life Moderate Folio Fund			517,136	20.09

Investments by mutual funds and segregated funds managed by CLIML and its affiliates

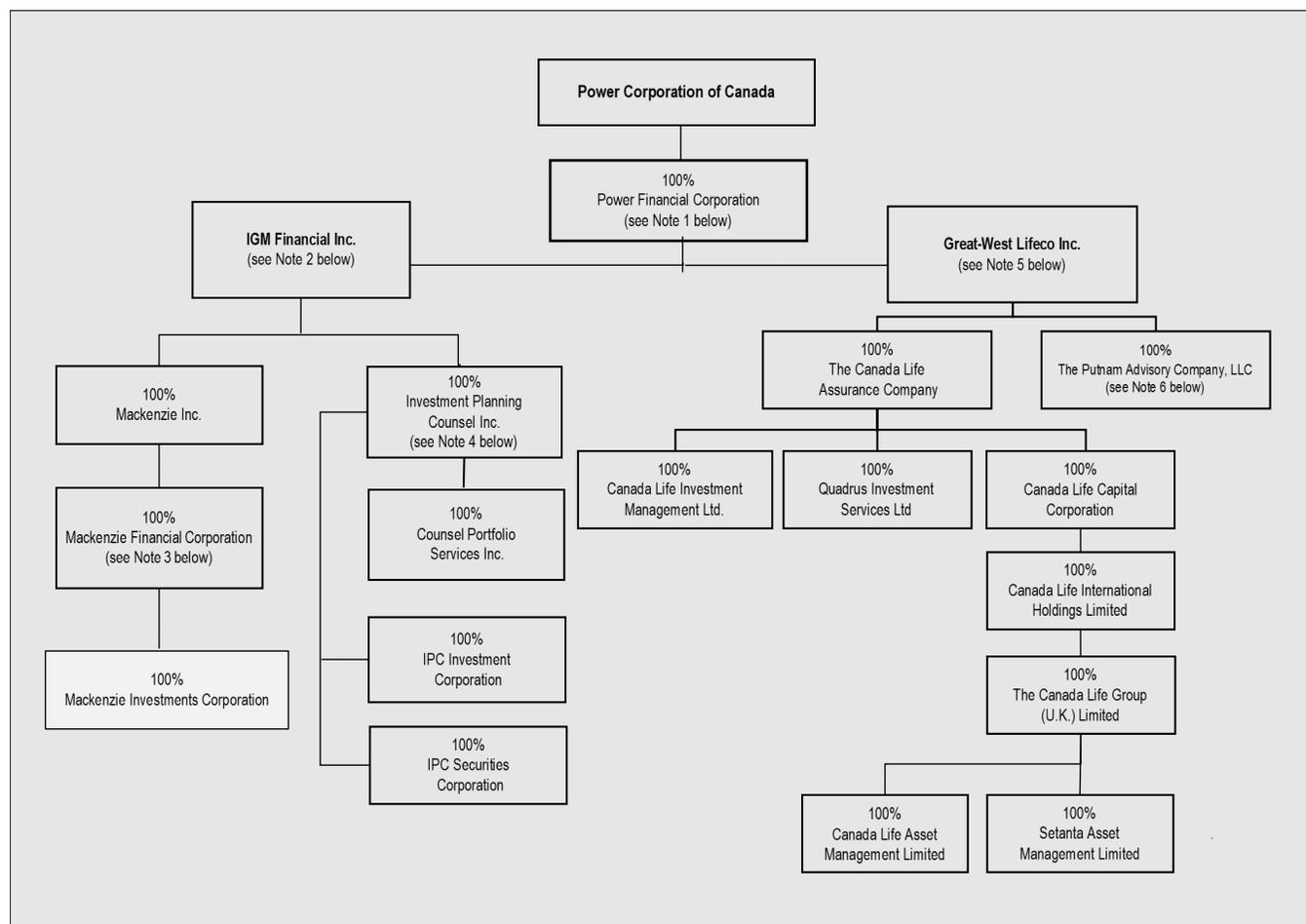
Mutual funds and segregated funds managed by us and our affiliates, or other investors at our discretion, may invest in Series R securities of the Funds. As these series are intended solely for investment by these investors as a means to ensure that there is no duplication of fees payable to us, they will generally not pay sales charges, redemption fees or management fees. Up to 100% of Series R securities of the Funds may be owned by one or more of these investors. Therefore, these investors may own (individually or collectively) more than 10% of all the outstanding securities of a Fund.

Affiliated Entities

As of the date of this annual information form, no person or company which is an “affiliated entity” to us (as this term is defined in the form requirement under National Instrument 81-101) provides services to the Funds or to us in relation to the Funds, other than the companies listed below. The amount of fees received from the Funds by any “affiliated entity” is contained in the audited financial statements of the Funds.

As disclosed above under “**Directors and executive officers of CLIML**”, in addition to being our senior officers, certain individuals also serve as senior officers of other affiliated entities.

The following diagram shows the relevant corporate relationships within the Power Group of Companies, which includes us, Mackenzie Investments, and Canada Life Asset Management Limited, as at May 31, 2021:



NOTES:

1. Power Corporation of Canada controls, directly and indirectly, 100% of Power Financial Corporation.
2. Power Financial Corporation, directly and indirectly, owns 65.809% of IGM Financial Inc. (excluding 0.016% held by The Canada Life Assurance Company in its segregated funds or for similar purposes).
3. Non-voting common and non-voting participating shares have also been issued.
4. IGM Financial Inc. owns 100% of Investment Planning Counsel Inc. Investment Planning Counsel Inc. directly owns 100% of the following affiliated dealers:
 - IPC Securities Corporation (“**IPCSC**”)
 - IPC Investment Corporation (“**IPCIC**”)
5. Power Corporation of Canada indirectly controls 70.748% (including 4.017% held indirectly by IGM Financial Inc.) of the outstanding common shares of Great-West Lifeco Inc., representing approximately 65.0% of all voting rights attached to all outstanding voting shares of Great-West Lifeco Inc).
6. Indirectly owned by Great-West Lifeco Inc.

10. FUND GOVERNANCE

CLIML

As the manager of the Funds, we are under a statutory duty imposed by the *Securities Act* (Ontario) to act honestly, in good faith and in the best interests of all of our managed Canada Life Funds, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances.

Our Board of Directors is responsible for overseeing our compliance with that statutory duty owed to the Canada Life Funds.

In addition, we have appointed an IRC, which reviews potential conflicts of interest matters referred to it by our management.

Board of Directors of CLIML

Our Board of Directors is composed of four directors.

The Board reviews and makes decisions with respect to our mutual fund business through the following activities:

- reviewing and approving all financial disclosure of the Canada Life Funds, including interim and annual financial statements and management reports of fund performance.
- discussing new fund proposals with management and approving the offering documents;
- receiving reports from management and other non-Board committees relating to the compliance by the Canada Life Funds with securities laws and administrative practices, and tax and financial reporting laws and regulations applicable to the Canada Life Funds; and
- reviewing management reports on conflicts of interest to which we are subject as manager and trustee of the Canada Life Funds (where applicable). The Board receives and reviews reports on the activities and recommendations of the IRC in determining how to manage those conflicts.

Members of the Board are employees of The Canada Life Assurance Company and serve on the Board as part of their ongoing employment duties with The Canada Life Assurance Company. The Board may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

Our Board is not responsible for overseeing the activities of our wholly-owned subsidiaries. Our subsidiaries are overseen by their own Boards of Directors under applicable corporate statutes within their local jurisdiction.

Canada Life Funds' Independent Review Committee

Under NI 81-107, mutual funds are required to form an independent review committee to review, among other things, conflict-of-interest matters to provide impartial judgment on these matters to us, in our role as manager of the Canada Life Funds. We created the IRC, which consists of three members: Steve Geist (Chair), Joanne De Laurentiis and Linda Currie.

The IRC reviews potential conflicts of interest referred to it by us as manager of the Canada Life Funds, and makes recommendations on whether a course of action achieves a fair and reasonable result for the applicable Canada Life Funds and only upon making that determination does it recommend to CLIML that the transaction proceeds. This includes potential transactions, as well as regular review of CLIML's policies and procedures relating to conflicts of interest.

NI 81-107 specifically permits CLIML to submit proposals to the IRC to cause a Canada Life Fund to directly purchase or sell securities to another Canada Life Fund without using a broker, although, to date, CLIML has not taken advantage of this provision for the Funds. Also, as noted under “**Investment Restrictions and Practices**”, the IRC has approved standing instructions to permit the Canada Life Funds to invest in securities of companies related to CLIML.

NI 81-107 also permits the IRC, upon referral by CLIML, to consider proposals to change the auditor of a Canada Life Fund or to approve mergers between Canada Life Funds. In most cases, if the IRC approves these changes, a vote of investors would not be required; rather, investors would be given 60 days’ prior notice of the changes.

Supervision of Securities Lending, Repurchase and Reverse Repurchase Transactions

The Funds are permitted to enter into securities lending, repurchase and reverse repurchase transactions consistent with its investment objectives and in compliance with the applicable provisions of NI 81-102. We have appointed the Funds’ custodian as the Funds’ agent and have entered into an agreement with that agent to administer any securities lending and repurchase transactions for that Fund (a “**Securities Lending Agreement**”). Those Funds also may enter into reverse repurchase transactions directly or through an agent.

The Securities Lending Agreement complies with and the agent is bound to comply with the applicable provisions of NI 81-102. We will manage the risks associated with securities lending, repurchase and reverse repurchase transactions (which are described in the simplified prospectus under the heading “**General Investment Risks**”) by requiring the agent to

- maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;
- establish daily the market value of both the securities loaned by a Fund under a securities lending transaction or sold by a Fund under a repurchase transaction and the cash or collateral held by a Fund. If on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, the agent will request that the counterparty provide additional cash or collateral to a Fund to make up the shortfall; and
- ensure that a Fund does not loan or sell more than 50% of the total assets of that Fund through securities lending or repurchase transactions (without including the collateral for loaned securities and cash for sold securities).

Securities lending and reverse repurchase transactions are entered into by the agent on behalf of the Funds and CLIML monitors the risks of these transactions. To facilitate monitoring, the agent provides CLIML with regular and comprehensive reports summarizing the transactions involving securities lending, repurchase and reverse repurchases.

Mackenzie Investments’ Fund Services and CLIML’s Compliance Department have created written policies and procedures that set out the objectives and goals for securities lending, repurchase transactions or reverse repurchase transactions and the risk management and oversight procedures applicable where the Funds engage in these transactions.

Mackenzie Investments’ Fund Services and CLIML’s Legal and Compliance Departments are responsible for reviewing the Securities Lending Agreement. CLIML’s Board of Directors will receive reports, if any, regarding compliance exceptions in connection with the Funds’ use of securities lending, repurchase and reverse repurchase transactions.

At present, CLIML does not simulate stress conditions to measure risk in connection with securities lending, repurchase or reverse repurchase transactions. Risk measurement procedures or simulations are conducted by the agent in respect of loans outstanding and the collateral lodged by each borrower and across all borrowers in the agents' overall securities lending and repurchase portfolios. These procedures and simulations include the Funds' securities but are not specific to the Funds.

Supervision of Derivatives Trading

CLIML has adopted various policies and internal procedures to supervise the use of derivatives within its fund portfolios. All policies and procedures comply with the derivative rules set out in NI 81-102 or as modified by any exemptions to NI 81-102 granted by the Canadian Securities Administrators. These policies are reviewed at least annually by senior management.

CLIML has established an approval process for the use of derivatives before derivatives can be used in a Fund to ensure compliance with NI 81-102 or any granted exemptions to NI 81-102 and to ensure that the derivative is suitable for a Fund within the context of a Fund's investment objectives and investment strategies.

Mackenzie Investments' Fund Services Department ("**Fund Services**") records, values, monitors and reports on the derivative transactions that are entered into a Fund's portfolio records. We have established threshold education and experience requirements for all staff who perform activities related to the valuation, monitoring, reporting and overall supervision of derivatives trading, to ensure that those operations are carried out prudently and efficiently.

A Fund Services staff member enters all derivative trade information and these trade entries and valuations are reviewed at the time of initial entry by a qualified staff member who has met threshold education and experience requirements. Valuations of derivative instruments are carried out according to the procedures described under "**Valuation of Portfolio Securities**".

The CLIML Compliance Department conducts ongoing monitoring of derivatives strategies for compliance with regulation designed to ensure (i) all derivatives strategies of the Canada Life Funds meet regulatory requirements; and (ii) derivative and counterparty exposures are reasonable and diversified. New derivative strategies are subject to a standardized approval process involving members from Mackenzie Investments' Investment Management Fund Services and CLIML's Compliance Departments.

Under NI 81-102, mutual funds may engage in derivative transactions for both hedging and non-hedging purposes. Where an external sub-advisory firm is engaged by CLIML to provide portfolio management services to the Funds and that firm trades in derivative instruments (or other instruments) for the Funds, under NI 81-102, CLIML will be responsible for ensuring that all trading for the Funds by the sub-advisors is suitable to the Fund's objectives and strategies. When derivatives are used for hedging purposes, our internal policies require that the derivatives have a high degree of negative correlation to the position being hedged, as required by NI 81-102. Derivatives will not be used to create leverage within a Fund's portfolio unless permitted under NI 81-102. CLIML does not simulate stress conditions to measure risk in connection with the Funds' use of derivatives. The Compliance Department reports any identified exceptions to the derivatives policies and procedures described above.

Proxy Voting Policies and Procedures

The Canada Life Funds managed by our internal portfolio managers ("**Internal Managers**") follow the proxy voting policies and procedures mandated by us.

Our objective is to vote the securities of companies for which we have proxy-voting authority in a manner most consistent with the long-term economic interest of Fund investors.

Voting Practices

We take reasonable steps to vote all proxies received. However, we cannot guarantee that we will vote in all circumstances. We may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits. We may also refrain from voting if, in our opinion, abstaining or otherwise withholding our vote is in your best interests.

Fund-of-Fund Voting

We may vote the securities of an Underlying Fund owned by a Fund when the Underlying Fund is not managed by us. If an Underlying Fund is managed by us or one of our associates or affiliates, we will not vote the securities of the Underlying Fund but will decide if it is in your best interests for you to vote on the matter individually. Generally, for routine matters, we will decide that it is not in your best interests to vote individually. However, if we decide that it is in your best interests for you to vote, then we will ask you for instructions on how to vote your proportionate share of the Underlying Fund securities owned by each Fund and will vote accordingly. We will only vote the proportion of the Underlying Fund securities for which we have received instructions.

Summary of Proxy Voting Policies

Below is a statement of principles that generally describe how we may vote on some commonly raised issues. CLIML may elect to vote contrary to these guidelines, provided the vote is in the best economic interest of the Fund.

- CLIML generally votes in favour of (i) proposals that support a majority of Board members being independent of management; (ii) the appointment of outside directors to an issuer Board or Audit Committee; as well as (iii) requirements that the Chair of the Board be separate from the office of the Chief Executive Officer.
- Proxies related to executive compensation are voted on a case-by-case basis. Generally, CLIML will vote in favour of stock options and other forms of compensation that (i) do not result in a potential dilution of more than 10% of the issued and outstanding shares; (ii) are granted under clearly defined and reasonable terms; (iii) are commensurate with the duties of plan participants; and (iv) are tied to the achievement of corporate objectives.
- CLIML will generally not support (i) the repricing of options; (ii) plans that give the Board broad discretion in setting the terms of the granting of options; or (iii) plans that authorize allocation of 20% or more of the available options to any individual in any single year.
- CLIML will generally vote in favour of shareholder rights plans designed to provide sufficient time to undertake a fair and complete shareholder value maximization process and that do not merely seek to entrench management or deter a public bidding process. In addition, CLIML will generally support plans that promote the interests and equal treatment of all investors and that allow for periodic shareholder ratification.
- CLIML will evaluate and vote on shareholder proposals on a case-by-case basis. All proposals on financial matters will be given consideration. Generally, proposals that place arbitrary or artificial constraints on the company will not be supported.

Conflicts of Interest

Circumstances may occur where a Canada Life Fund has a potential conflict of interest relative to its proxy voting activities. Where an Internal Manager has a conflict or potential conflict, he or she will notify our Chief Compliance Officer (“**CCO**”). Should the CCO conclude that a conflict exists, the CCO will document the conflict and inform Mackenzie Investments’ Fund Services Department.

We will maintain a Proxy Voting Watch List (“**Watch List**”) that includes the names of issuers that may be in conflict and our Fund Administrator will notify us of any meeting circulars and proxies received from an issuer on the Watch List. The CCO will discuss the voting matter(s) with the Internal Manager or sub-advisor and ensure that the proxy voting decision is based on our proxy voting policies and is in the best interests of the Canada Life Fund.

All voting decisions made as described in the following section are documented and filed by the Fund Administrator.

Proxy Voting Procedures

Upon receipt of a meeting circular, the Fund Administrator logs the issuer name, date of receipt, and other relevant information in a proxy database. The Fund Administrator then reviews the information and summarizes his/her findings.

The Internal Manager makes the voting decision, and issues his/her direction to the Fund Administrator. The Fund Administrator logs the decision, forwards the completed proxy to the custodian or the custodian’s voting agent, and files all related documentation.

We retain files related to proxies, votes, and related research materials for a minimum two (2) years and off-site for a minimum five (5) years.

Proxy Voting by Sub-Advisors

Sub-advisors to the Funds have the authority to make all voting decisions concerning the securities held in the Funds on a fully discretionary basis in accordance with the portfolio management agreement. We have determined that the sub-advisors have proxy voting guidelines in place and we are of the view that the guidelines are substantively similar to our Proxy Voting Policy.

Information Requests

The policies and procedures that the Funds follow when voting proxies relating to portfolio securities are available upon request at any time, at no cost, by calling toll-free at 1-800-387-0614 or by email at service@mackenzieinvestments.com or by writing to Canada Life Investment Management Ltd., 255 Dufferin Avenue, London, Ontario, N6A 4K1.

Each Fund’s proxy voting record for the most recent 12-month period ending June 30 will be available free of charge to any investor of that Fund upon request at any time after August 31 of the same year by calling 1-800-387-0614 or by email at service@mackenzieinvestments.com, and will also be available at www.canadalifeinvest.ca.

Short-Term Trading

We have adopted policies and procedures to detect and deter inappropriate and excessive short-term trading.

We define an inappropriate short-term trade as a combination of a purchase and redemption made within 30 days, which we believe is detrimental to Fund investors and that may take advantage of Funds with investments priced in other time zones or illiquid investments that trade infrequently.

We define excessive short-term trading as a combination of purchases and redemptions that occurs with such frequency within a 30-day period that we believe is detrimental to Fund investors.

Inappropriate short-term trading may harm Fund investors who do not engage in these activities by diluting the NAV of their Fund securities as a result of the market timing activities of other investors. Inappropriate and excessive short-term trading may cause a Fund to carry an abnormally high cash balance and/or high portfolio turnover rate, both of which may reduce a Fund's returns.

All trades that we determine to be inappropriate short-term trades will be subject to a 2% fee. All trades that we determine to be part of a pattern of excessive short-term trading will be subject to a 1% fee. The fees charged will be paid to the applicable Funds.

We may take such additional action as we consider appropriate to prevent further similar activity by you. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity and the subsequent rejection of further purchases by you if you continue to attempt such trading activity and/or closure of your account.

In determining whether a short-term trade is inappropriate or excessive, CLIML will consider relevant factors including the following:

- bona fide changes in investor circumstances or intentions;
- unanticipated financial emergencies;
- the nature of the Fund;
- past trading patterns;
- unusual market circumstances; and
- an assessment of harm to the Fund or to CLIML.

The following types of redemptions will be exempt from short-term trading fees:

- from money market of similar Canada Life Funds. These funds are exempt from short-term trading fees because they are unlikely to be exposed to the adverse effects of short-term trading. Currently, this group includes the following Funds; however, we may add or remove Funds from this list at any time without notice to you:
 - Canada Life Money Market Fund;
 - Canada Life Short Term Bond Fund (Portico); and
 - Canada Life Pathways Money Market Fund
- from an Underlying Fund by a Fund in a fund-of-funds program or other similar program;
- for the asset allocation programs;
- for systematic withdrawal plans (applies to only non-registered and tax free savings accounts);
- redemptions of securities received on the reinvestment of income or other distributions; and
- automatic rebalancing of your holdings in the Canada Life Mutual Funds Rebalancing Service.

CLIML, the Funds and any other parties to the arrangements above do not receive any compensation or other consideration for the above arrangements. Other than as set out in the simplified prospectus, CLIML has not entered into any arrangements with any other entity (including other funds) which would permit for short-term trading by that entity.

In making these judgments, we seek to act in a manner that we believe is consistent with your best interests. The interests of fund investors and the Canada Life Funds' ability to manage its investments may be adversely affected by inappropriate or excessive short-term trading because,

among other things, these types of trading activities can dilute the value of Canada Life Fund securities, can interfere with the efficient management of a Canada Life Fund portfolio and can result in increased brokerage and administrative costs. While CLIML will actively take steps to monitor, detect and deter inappropriate and excessive short-term trading, it cannot ensure that such trading activity will be completely eliminated. For example, certain financial institutions may offer alternative investment products to the public that are comprised in whole or in part of securities of Canada Life Funds. These institutions may open accounts with CLIML on behalf of multiple investors whose identity and trading activity is not normally recorded on our transfer agent system.

CLIML reserves the right to restrict, reject or cancel, without any prior notice, any purchase order, including transactions that are deemed to represent inappropriate or excessive short-term trading.

Short Selling Policies and Procedures

Most Funds may engage in short selling where such short selling will be done in accordance with securities regulations. CLIML, or the applicable sub-advisor, has adopted written policies and procedures that set out the objectives and goals for short selling and the risk management procedures applicable to short selling. These policies and procedures (which include trading limits and controls) are developed by CLIML's or the applicable sub-advisor's compliance department and are reviewed annually. The Board of Directors also reviews and approves the policies and procedures each year. Short selling activities are monitored by CLIML's or the applicable sub-advisor's compliance department. Risk measurement procedures or simulations generally are not used to test the portfolio of the Fund under stress conditions.

11. FEES AND EXPENSES

Fees and Expenses

There are fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. Alternatively, a Fund may have to pay some of these fees and expenses directly, which will therefore reduce the value of your investment in the Fund. The Canada Life Funds pay management fees, administration fees and fund costs. The management fees and any administration fees are paid to CLIML. The management fee is paid in exchange for the investment advisory services provided to the Funds, including portfolio analysis and decision-making, ensuring that all activities of the Funds are in compliance with their investment objectives and strategies, as well as marketing and promotion of the Funds.

There is no management fee for Series R securities as those securities are only offered on an exempt distribution basis.

CLIML pays all operating expenses, other than "fund costs," for each series, in exchange for a fixed rate annual administration fee (the "**Administration Fee**"). Administration Fees are subject to applicable taxes, such as G.S.T./H.S.T. CLIML and Mackenzie Investments provide the majority of services required for the Funds to operate, although it retains third parties to provide certain services. CLIML may pay Mackenzie Investments all or a portion of the Administration Fee. In exchange for the Administration Fee, the expenses borne by CLIML and Mackenzie Investments include (i) recordkeeping, accounting and fund valuation costs; (ii) custody safekeeping fees; (iii) audit and legal fees and (iv) the costs of preparing and distributing Fund financial reports, simplified prospectuses, and other investor communications we are required to prepare to comply with applicable laws (other than the costs of complying with any new regulatory requirements, as described in "Fund Costs", below). The Administration Fee is charged separately

from the management fee for each series of each Fund. It is calculated as a fixed annual percentage of the NAV of each series as indicated below.

There are no Administration Fees charged to Series R units of the Funds, although fund costs will still be allocated.

Each Fund pays “fund costs,” which include interest and borrowing costs, brokerage commissions and related transaction fees, taxes (including, but not limited to G.S.T./H.S.T. and income tax), its pro rata share of all fees and expenses of the Canada Life Funds’ Independent Review Committee, costs of complying with 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 not commonly charged in the Canadian mutual fund industry and introduced after August 19, 2021, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after June 29, 2021. Interest and borrowing costs and taxes will be charged to each series directly based on usage. Costs of complying with new regulatory requirements will be assessed based on the extent and nature of these requirements. The remaining fund costs will be allocated to each series of each Fund based on their net assets relative to the net assets of all series of the Funds. We may allocate fund costs among each series of a Fund based on such other method of allocation as we consider fair and reasonable to the Fund. CLIML may decide, in its discretion, to pay for some of these fund costs that are otherwise payable by a Fund, rather than having the Fund incur such fund costs. CLIML is under no obligation to do so and, if any fund costs are reimbursed by CLIML, it may discontinue this practice at any time. Fund costs are charged separately from the management fee and Administration Fee for each series.

A proposal to change the basis of calculating the management fees or other fees and expenses which could result in an increase in the charges payable by a Fund would require that the change first be approved by a majority of the votes cast at a meeting of investors of the Fund unless (i) the party receiving the fees and expenses operates at arm’s length to the Fund and us and any associate or affiliate of us; and (ii) investors are given at least 60 days’ notice before the effective date of the proposed change. Similarly, the introduction of certain new fees by us for the Fund which may be payable by investors of the Fund would also require the approval of a majority of the votes cast at a meeting of investors of the Fund.

12. INCOME TAX CONSIDERATIONS

This is a general summary of certain Canadian federal income tax considerations applicable to you as an investor in the Funds. This summary assumes that you are an individual (other than a trust) resident in Canada and that you hold your securities directly as capital property. **This summary is not intended to be legal advice or tax advice. We have tried to make this discussion easy to understand. As a result, it may not be technically precise, or cover all the tax consequences that may be relevant to you. Accordingly, you should consult your own tax advisor having regard to your own particular circumstances when you consider purchasing or redeeming securities of a Fund.**

This summary is based on the current provisions of the Tax Act, the regulations under the Tax Act, all proposals for specific amendments to the Tax Act or the regulations that have been publicly announced by the Minister of Finance (Canada) before the date hereof, and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. Except for the foregoing, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations.

How the Funds are Taxed

The following paragraphs describe some of the ways in which mutual funds can earn income:

- Mutual funds can earn income in the form of interest, dividends or income from the investments they make, including in other mutual funds, and can be deemed to earn income from investments in certain foreign entities. All income must be computed in Canadian dollars, even if earned in a foreign currency.
- Mutual funds can realize a capital gain by selling an investment for more than its adjusted cost base (“ACB”). They can also realize a capital loss by selling an investment for less than its ACB. A mutual fund that invests in foreign-denominated securities must calculate its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the securities were purchased and sold, as applicable. As a result, a mutual fund may realize capital gains and losses due to changes in the value of the foreign currency relative to the Canadian dollar.
- Mutual funds can realize gains and losses from using derivatives or engaging in short selling. Generally, gains and losses from derivatives are added to or subtracted from the mutual fund’s income. However, if derivatives are used by a mutual fund as a hedge to limit its gain or loss on a specific capital asset or group of capital assets and there is sufficient linkage, then the gains and losses from holding these derivatives are generally capital gains or capital losses. Generally, gains and losses from short selling are treated as income. The derivative forward agreement rules in the Tax Act (the “DFA Rules”) target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to reduce tax by converting, through the use of derivative contracts, the return on investments that would have the character of ordinary income to capital gains. The DFA Rules will generally not apply to derivatives used to closely hedge gains or losses due to currency fluctuations on underlying capital investments of a Fund. Hedging, other than currency hedging on underlying capital investments, which reduces tax by converting the return on investments that would have the character of ordinary income to capital gains through the use of derivative contracts, will be treated by the DFA Rules as on income account.
- Gains and losses from trading in precious metals and bullion will be taxed on income account, rather than as capital gains and losses.

In certain circumstances, a Fund may be subject to loss restriction rules that deny or defer the deduction of certain losses. For example, a capital loss realized by a Fund will be suspended if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund or an affiliated person (as defined in the Tax Act), acquires property that is, or is identical to, the property on which the loss was realized and owns that property at the end of the period.

A mutual fund can be organized as a corporation or a trust. The following sections describe the taxation of these types of entities.

Status of the Funds

Each Fund computes its income or loss separately. All of a Fund’s deductible expenses, including management fees, will be deducted in calculating the Fund’s income for each taxation year. The Fund will be subject to tax on its net income, including net taxable capital gains, not paid or payable to its investors for the taxation year, after taking into consideration any loss carryforwards and any capital gains refund. Each Fund intends to pay to investors enough of its income and

capital gains for each taxation year so that it will not be liable for ordinary income tax under Part I of the Tax Act.

The losses of a Fund may be restricted when a person or a partnership becomes a “majority-interest beneficiary” of the Fund (generally by holding units representing more than 50% of NAV of the Fund) unless the Fund qualifies as an “investment fund” by satisfying certain investment diversification and other conditions.

Neither Fund currently qualifies as a “mutual fund trust”, nor is expected to qualify as a “mutual fund trust” for the 2021 or later taxation years.

A Fund that does not qualify as a “mutual fund trust” for purposes of the Tax Act throughout its taxation year is not eligible for the capital gains refund and it could be subject to alternative minimum tax for the year, as well as other taxes under the Tax Act. In addition, if one or more “financial institutions”, as defined in the Tax Act, own more than 50% of the fair market value of the units of such a Fund, that Fund will be a “financial institution” for income tax purposes and thus subject to certain “mark-to-market” tax rules. If this were the case, most of the Fund’s investments would be considered mark-to-market property, with the result that

- the Fund will be deemed to have disposed of and re-acquired its mark-to-market property at the end of each taxation year, as well as at such time as it becomes, or ceases to be, a financial institution; and
- the gains and losses from these deemed dispositions will be on income account, not capital account.

Taxation of the Funds if Investing in Foreign-Domiciled Underlying Trusts

Section 94.2

A Fund may invest in foreign-domiciled underlying investment funds that qualify as “exempt foreign trusts” (the “Underlying Funds”) for purposes of the non-resident trust rules in sections 94 and 94.2 of the Tax Act.

If the total fair market value at any time of all fixed interests of a particular class in an Underlying Fund held by a Fund, persons or partnerships not dealing at arm’s length with the Fund, or persons or partnerships that acquired their interests in the Underlying Fund in exchange for consideration given to the Underlying Fund by the Fund, is at least 10% of the total fair market value at the time of all fixed interests of the particular class of the Underlying Fund, the Underlying Fund will be a “foreign affiliate” of the Fund and will be deemed by section 94.2 of the Tax Act to be at the time a “controlled foreign affiliate” (“CFA”) of the Fund.

If the Underlying Fund is deemed to be a CFA of a Fund at the end of the particular taxation year of the Underlying Fund and earns income that is characterized as “foreign accrual property income” as defined in the Tax Act (“FAPI”) in that taxation year of the Underlying Fund, the Fund’s proportionate share of the FAPI (subject to deduction for grossed up “foreign accrual tax” as discussed below) must be included in computing its income for Canadian federal income tax purposes for the taxation year of that Fund in which that taxation year of the Underlying Fund ends, whether or not the Fund actually receives a distribution of that FAPI. It is expected that the full amount of the income, as determined for Canadian federal income tax purposes, allocated or distributed to an Underlying Fund by the issuers that it holds securities of will be FAPI. FAPI will also include any net realized taxable capital gains, as determined for Canadian federal income tax purposes, of the Underlying Fund from the disposition of those securities.

To the extent an amount of FAPI will be required to be included in computing the income of a Fund for Canadian federal income tax purposes, a grossed-up amount may be deductible in respect of the “foreign accrual tax” as defined in the Tax Act (“FAT”), if any, applicable to the FAPI. Any amount of FAPI included in income (net the amount of any FAT deduction) will increase the adjusted cost base to a Fund of its units of the Underlying Fund in respect of which the FAPI was included.

How You are Taxed on a Fund Investment

Generally, how a unitholder is taxed on an investment in a mutual fund depends on whether the unitholder holds the investment inside or outside a registered plan. With respect to the Funds, registered plans are not permitted to purchase securities of the Funds and thus the discussion below relates only to holding securities of the Funds outside a registered plan.

You should consult with your own tax advisor regarding the special rules that apply to each type of registered plan, including whether or not a particular security of a Fund would be a prohibited investment for your registered plan. It is your responsibility to determine the tax consequences to you and your registered plan of establishing the registered plan and causing it to invest in the Funds. Neither we nor the Funds assume any liability to you as a result of making the Funds and/or series available for investment within registered plans.

Distributions

You must include in your income for a taxation year, the taxable portion of all distributions (including Fee Distributions) paid or payable (collectively, “paid”) to you from a Fund during the year, computed in Canadian dollars, whether these amounts were paid to you in cash or reinvested in additional securities. The amount of reinvested distributions is added to the ACB of your securities to reduce your capital gain or increase your capital loss when you later redeem. This ensures that you do not pay tax on the amount again at a later date.

Distributions paid by a Fund may consist of capital gains, ordinary taxable dividends, foreign source income, other income and/or return of capital.

Ordinary taxable dividends are included in your income subject, to the gross-up and dividend tax credit rules. Capital gains distributions will be treated as capital gains realized by you, one-half of which will generally be included in calculating your income as a taxable capital gain. A Fund may make designations in respect of its foreign source income so that you may be able to claim any foreign tax credits allocated to you by that Fund.

You may receive a return of capital from your Fund. You will not be taxed on a return of capital, but it will reduce the ACB of your securities of that Fund such that when you redeem your securities, you will realize a greater capital gain (or smaller capital loss) than if you had not received the return of capital. If the ACB of your securities is reduced to less than zero, the ACB of your securities will be deemed to be increased to zero and you will be deemed to realize a capital gain equal to the amount of this increase.

When securities of a Fund are acquired by purchasing securities of that Fund, a portion of the acquisition price may reflect income and capital gains of the Fund that have not yet been realized or distributed. Accordingly, securityholders who acquire securities of a Fund are required to include in their income amounts distributed by the Fund even if the income and capital gains distributed were earned by the Fund before the securityholder acquired the securities and were included in the price of the securities. This could be particularly significant if you purchase securities of a Fund late in the year.

The higher the portfolio turnover rate of any Fund in a year, the greater the chance that you will receive a capital gains distribution. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Sales and Redemption Charges and Fees

A sales charge paid on the purchase of securities is not deductible in computing your income but is added to the ACB of your securities. A redemption charge paid on the redemption of securities is not deductible in computing your income but effectively reduces the proceeds of disposition of your securities.

Redemptions

You will realize a capital gain (capital loss) if any of your securities in a Fund are redeemed. Generally, your capital gain (capital loss) will be the amount by which the NAV of the redeemed securities is greater (less) than the ACB of those securities. Generally, one-half of your capital gain is included in your income for tax purposes as a taxable capital gain and one-half of your capital loss can be deducted against your taxable capital gains, subject to the provisions of the Tax Act.

In certain circumstances, loss restriction rules will limit or eliminate the amount of a capital loss that you may deduct. For example, a capital loss that you realize on a redemption of securities will be deemed to be *nil* if, during the period that begins 30 days before and ends 30 days after the day of that redemption, you acquired identical securities (including through the reinvestment of distributions or a Fee Distribution paid to you) and you continue to own these identical securities at the end of that period. In this case, the amount of the denied capital loss will be added to the ACB of your securities. This rule will also apply where the identical securities are acquired and held by a person affiliated with you (as defined in the Tax Act).

Calculating Your ACB

Your ACB must be calculated separately for each series of securities that you own in each Fund. The total ACB of your securities of a particular series of a Fund is generally equal to:

- the total of all amounts you paid to purchase those securities,
plus
- the ACB of any securities of another series and/or Fund that were switched on a tax-deferred basis into securities of the particular series,
plus
- the amount of any reinvested distributions or dividends on that series,
less
- the return of capital component of distributions on that series,
less
- the ACB of any securities of the series that were switched on a tax-deferred basis into securities of another series and/or Fund,
less
- the ACB of any of your securities of that series that have been redeemed.

The ACB of a single security is the total ACB divided by the number of securities.

For example, suppose you own 500 securities of a particular series of a Fund with an ACB of \$10 each (a total of \$5,000). Suppose you then purchase another 100 securities of the same series of the Fund for an additional \$1,200. Your total ACB is \$6,200 for 600 securities so that your new ACB of each security of the series of the Fund is \$6,200 divided by 600 securities, or \$10.33 per security.

Alternative Minimum Tax

Amounts included in your income as ordinary taxable dividends or capital gains dividends, as well as any capital gains realized by you on the disposition of securities, may increase your liability for alternative minimum tax.

Tax Statements and Reporting

If applicable, we will send tax statements to you each year identifying the taxable portion of your distributions, the return of capital component of distributions and redemption proceeds paid to you for each year. Tax statements will not be sent to you if you did not receive distributions or redemption proceeds. You should keep detailed records of your purchase cost, sales charges, distributions, redemption proceeds and redemption charges in order to calculate the ACB of your securities. You may wish to consult a tax advisor to help you with these calculations.

Generally, you will be required to provide Mackenzie Investments with information related to your citizenship or residence for tax purposes and, if applicable, your foreign tax identification number. If you are (i) identified as a U.S. Person (including a U.S. resident or citizen), (ii) identified as a tax resident of a country other than Canada or the U.S.; or (iii) do not provide the required information and indicia of U.S. or non-Canadian status is present, details about you and your investment in a Fund will be reported to the Canada Revenue Agency. The Canada Revenue Agency may provide the information to the relevant foreign tax authorities under exchange of information treaties.

13. REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES

The Funds do not directly employ any directors, officers or trustees to carry out their Fund operations. CLIML, as manager of the Funds, provides, or causes to be provided, all personnel necessary to conduct the Funds' operations.

Each IRC member is entitled to an annual retainer of \$40,000 (\$50,000 for the Chair) including for attendance at meetings. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties, including reasonable travel and accommodation expenses. We also purchase and maintain insurance liability coverage for the benefit of the IRC members. For the year ended March 31, 2021, the total amount expensed in this regard by the Canada Life Funds was \$53,036. All fees and expenses were allocated among the Canada Life Funds in a manner that was fair and reasonable.

The individual IRC members received total compensation and reimbursement of expenses by the Canada Life Funds for the year ended March 31, 2021 are as follows:

IRC Member	Total individual compensation, including expense reimbursement
Linda Currie*	\$10,000
Joanne De Laurentiis*	\$10,000

Steve Geist (Current Chair)*	\$12,500
Robert Hines (Past Chair)**	\$5,625
George Hucal**	\$4,467
Martin Taylor**	\$5,258
Scott Edmonds**	\$5,186

* For the period covering January 1 - March 31, 2021.

** For the period covering April 1, 2020 - December 31, 2020.

For a description of the role of the IRC, please see “**Fund Governance – Canada Life Funds’ Independent Review Committee**”.

14. MATERIAL CONTRACTS

Set out below are particulars of the material contracts entered into by the Funds as of the date of this annual information form as well as a description of the portfolio management agreements that CLIML has entered into with certain firms with respect to certain of the Funds. Minor contracts entered into by the Funds in the ordinary course of their business have been excluded.

You may inspect copies of the contracts listed below during normal business hours at our London office at 255 Dufferin Avenue, London, Ontario, N6A 4K1.

Declaration of Trust

Details of the Declaration of Trust, which governs the Funds, are set out under “**Name, Formation and History of the Funds.**” The Declaration of Trust sets out the powers and duties of the manager and the trustee of the Funds, the attributes of securities of the Funds, procedures for purchase, exchange and redemption of securities, recordkeeping, calculation of the Funds’ income and other administrative procedures. The Declaration of Trust also contains provisions for the selection of a successor trustee if CLIML should resign and for termination of the Funds if no successor trustee can be found. CLIML is not paid a fee in its capacity as trustee (as would be required if an outside trustee was hired) but is entitled to be reimbursed for any costs incurred on the Funds’ behalf.

Master Management Agreement

CLIML has entered into a master management agreement (the “**Master Management Agreement**”) dated December 31, 2020, as amended, for all of the Canada Life Funds, to provide the management and administrative services to enable the Funds to carry out their business operations. Under the Master Management Agreement, we are responsible for providing directly, or for arranging other persons or companies to provide, administration services to the Funds, portfolio management services, distribution services for the promotion and sale of the Funds’ securities and other operational services. The Master Management Agreement contains details about fees and expenses payable by the Funds to us, including the management fee rates and administration fee rates, as applicable, and the Master Management Agreement is amended each time a new fund or new series of a fund is added to the Master Management Agreement. The Master Management Agreement has been executed by us on our own behalf as manager and on behalf of the Funds for which we are trustee, in our capacity as trustee.

The Master Management Agreement generally continues from year to year, subject to the following exceptions. The Master Management Agreement may be terminated earlier, in respect of one or more of the Funds the particular agreement covers, on not less than 6 months’ prior

written notice. The Master Management Agreement may be terminated on shorter notice if any party to the agreement is in breach of the terms of that Master Management Agreement and has not remedied the breach within 30 days of receipt of written notice requiring the breach to be remedied or if any party goes into liquidation, commits an act of bankruptcy, ceases to hold appropriate regulatory approvals or commits or permits any other act to occur which materially adversely affects its ability to perform the obligations to be satisfied under the Master Management Agreement.

Master Custodian Agreement

CLIML has entered into a Custodial Services Agreement with CIBC Mellon, dated December 31, 2020, as amended, on behalf of the Funds to obtain custodial services for the Funds' assets ("**Master Custodian Agreement**").

The Master Custodian Agreement complies with the applicable provisions of NI 81-102 regarding custodial services and requires the custodian to hold the Fund's assets in trust and to separately identify each Fund's account assets. The agreement contains schedules which set out which Funds are governed by that agreement. The agreement can be terminated by CLIML or by the custodian on 120 days' prior written notice.

Portfolio Management Agreement

We are the portfolio manager for each Fund under the terms of its Master Management Agreements with the Canada Life Funds. We have entered into an Investment Sub-Advisor Agreement with Canada Life Asset Management Limited (the "**Sub-Advisory Agreement**") dated November 27, 2015, as amended, to provide portfolio management services to Canada Life International Bond Fund (CLI). Under the Sub-Advisory Agreement, the sub-advisor has designated a lead portfolio manager and research and support personnel to make all portfolio decisions concerning the portion of the Fund's portfolio allocated to them, all necessary brokerage arrangements and all arrangements with the Fund's custodian to settle portfolio trades. The Sub-Advisor is required to adhere to the investment objectives and investment strategies adopted by the Fund. The Sub-Advisor has agreed to act honestly, in good faith and in the best interests of the Fund, and to use the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The Sub-Advisory Agreement may be terminated by us or the sub-advisor on 90 days' prior written notice to the other party, subject to certain exceptions.

Fund Administration Agreement

Mackenzie Investments is the administrator for each of the Funds pursuant a Fund Administration Agreement between CLIML and Mackenzie Investments dated December 31, 2020, as amended.

As administrator, Mackenzie Investments is responsible for aspects of the day-to-day administration of the Funds, including, without limitation, financial reporting, communications to investors and securityholder reporting, maintaining the register of securityholders for each Fund, NAV calculations, and processing orders for securities of the Funds.

The agreement may be terminated upon mutual agreement by CLIML or Mackenzie Investments and immediately by CLIML in the event of an insolvency event relating to Mackenzie Investments.

15. LEGAL AND ADMINISTRATIVE PROCEEDINGS

We are not aware of any ongoing legal and administrative proceedings material to the Canada Life Funds to which we or any Canada Life Fund is a party.

Penalties and Sanctions

The previous manager of the Funds, Mackenzie Investments, entered into a settlement agreement with the OSC on April 6, 2018 (“**Settlement Agreement**”).

The Settlement Agreement states that Mackenzie Investments failed to (i) comply with National Instrument 81-105 *Mutual Fund Sales Practices* (“**NI 81-105**”) by not meeting the minimum standards of conduct expected of industry participants in relation to certain sales practices between May 2014 and December 2017; (ii) have systems of controls and supervision over its sales practices that were sufficient to provide reasonable assurances that Mackenzie Investments was complying with Mackenzie Investments’ obligations under NI 81-105; and (iii) maintain adequate books, records and other documents to demonstrate its compliance with NI 81-105.

Mackenzie Investments agreed to (i) pay an administrative penalty of \$900,000 to the OSC; (ii) submit to regular reviews of its sales practices, procedures and controls by an independent consultant until the OSC is satisfied its sales practices program is fully compliant with securities laws; and (iii) pay costs of the OSC’s investigation in the amount of \$150,000.

The purpose of NI 81-105 is to discourage sales practices that could be perceived as inducing dealers and their representatives to sell mutual fund securities on the basis of incentives they were receiving (such as promotional items or activities) rather than on the basis of what is suitable for and in the best interest of their clients.

In the Settlement Agreement, the OSC noted that, in response to the OSC investigation, Mackenzie Investments (i) has dedicated significant financial and human resources to enhance its systems of controls and supervision for sales practices; (ii) retained an independent consultant in September 2017 to assess the quality of its controls around its sales practices, and the consultant noted that, overall, Mackenzie Investments has demonstrated a continuously improving compliance culture and since 2014 has seen increased investment in resources, both people and systems, focused on sales practices compliance; and (iii) has no disciplinary history with the OSC and cooperated with Staff in connection with Staff’s investigation of the matters referred to in this Settlement Agreement.

Mackenzie Investments, and not any of its investment fund products (the “**Mackenzie Products**”), paid all monetary and non-monetary benefits at issue. The performance of the Mackenzie Products was not impacted by these matters and the management expense ratios of the Mackenzie Products were not affected. Mackenzie Investments, and not the Mackenzie Products, has paid all costs, fines and expenses relating to the resolution of this matter, including the above-noted administrative penalty, investigative costs and the fees relating to the independent compliance consultant.

CANADA LIFE MUTUAL FUNDS

ANNUAL INFORMATION FORM

Canada Life International Bond Fund (CLI) Canada Life Long Term Bond Fund (Portico)

Additional information about the funds is available in the management reports of fund performance and financial statements. These documents are included by reference in this annual information form, which means they legally form part of this document just as if they were printed in it.

These documents, along with other fund information, are available at www.canadalifeinvest.ca or the SEDAR website at www.sedar.com.

MANAGER OF THE FUNDS:

Canada Life Investment Management Ltd.
255 Dufferin Avenue
London, ON N6A 4K1

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