

June 10, 2021

Dear Unitholder,

The Independent Review Committee (the “IRC”) of the Canada Life Funds, comprising the Canada Life Mutual Funds and Canada Life Pathways Group of Funds (collectively, the “Funds”), is pleased to provide its annual report to the unitholders of the Funds as required by National Instrument 81 – 107 *Independent Review Committee for Investment Funds*.

Canada Life Investment Management Ltd. (the “Manager”) appointed the IRC before succeeding Mackenzie Financial Corporation as the investment fund manager to the Funds on December 31, 2020. Therefore, this initial report to unitholders of the Funds by the newly-formed IRC covers the period from January 1, 2021 to March 31, 2021.

The IRC has a mandate to review conflict of interest matters identified and referred to it by the Manager, and to give its approval or recommendation, depending on the nature of the conflict of interest matter. A “conflict-of-interest matter” is a situation where a reasonable person would consider the Manager or an entity related to the Manager to have an interest that may conflict with the Manager’s ability to act in good faith and in the best interests of the Funds. In each instance where a conflict-of-interest matter is considered by the IRC, its focus is to determine if the Manager’s proposed action achieves a fair and reasonable result for the Funds.

At least once a year, the IRC will review and assess the adequacy and effectiveness of the policies and procedures relating to conflict of interest matters in respect of the Funds, and will conduct a self-assessment of its independence, compensation and effectiveness.

We look forward to continuing a constructive working relationship with the Manager, and to continue to work in the best interest of the Funds when dealing with conflict of interest matters.

Steve Geist

Chair of the Independent Review Committee

**INDEPENDENT REVIEW COMMITTEE OF CANADA LIFE FUNDS
2021 REPORT TO UNITHOLDERS**

Scope of Report

The Funds, which are listed in Schedule A of this report, have a financial year that ends on March 31 and this report relates to the period from January 1 to March 31, 2021 (the “Reporting Period”)¹.

IRC Membership

The IRC became operational on December 22, 2020, and all members listed below were appointed on that date. There have been no changes in the composition of the newly-constituted IRC since its inception.

IRC MEMBER NAME	APPOINTMENT DATE	TERM EXPIRY	OTHER IRC MEMBERSHIP
Steve Geist (Chair) Toronto, Ontario	Dec. 22, 2020	Dec. 22, 2023	Member of SEI Investments Canada IRC
Joanne De Laurentiis Toronto, Ontario	Dec. 22, 2020	Dec. 22, 2022	Chair of PIMCO Canada IRC
Linda Currie Toronto, Ontario	Dec. 22, 2020	Dec. 22, 2021	None

The members of the IRC bring to their duties a wide range of business experience, as set out in their respective biographies below.

Steve Geist

Steve is a Corporate Director with over 30 years of experience in financial services. He retired from CIBC in 2017 where he was Senior Executive Vice President and Group Head, CIBC Wealth Management. Prior to that role, Steve was President and CEO of CIBC Asset Management, one of Canada's largest asset managers. He previously held senior positions with TD Asset Management, Fidelity Investments and Price Waterhouse.

Steve serves on the Board of the Ontario Financing Authority, and is also the Chair of the Capital Sector Audit Committee for the Province of Ontario and on the Board of Governors of Royal St. George's College. He is a past director of the Investment Funds Institute of Canada (IFIC) and the Mutual Funds Dealers Association (MFDA). Steve is a Chartered Professional Accountant with an FCPA/FCA designation and also holds the ICD.D designation. He is a Certified Financial Planner and has a Bachelor of Business Administration degree from Wilfrid Laurier University.

Joanne De Laurentiis

Joanne is an experienced, senior executive and Board member. She has excelled in creating fit-for-purpose management structures; led marketing, research and strategic planning initiatives; and contributed to the development of sound regulatory and legislative frameworks for the financial services sector.

Joanne currently serves on the Boards of the Financial Services Regulatory Authority, Toronto Transit

¹ For the period covering April - December 31, 2020, please refer to the Report of the Independent Review Committee of the funds managed by Mackenzie Financial Corporation, the predecessor IRC to the Funds. Commencing in 2022, the Funds' IRC Annual Report to Unitholders will cover a full twelve-month period for the preceding financial year.

INDEPENDENT REVIEW COMMITTEE OF CANADA LIFE FUNDS 2021 REPORT TO UNITHOLDERS

Commission, and Peak Financial Advisory Council. Past leadership roles include President & CEO of the Investment Funds Institute (IFIC), CEO of Credit Union Central of Canada, and Interac, Vice-President, Public Affairs for the Canadian Bankers Association and chief of staff to a Minister in the Ontario Government. She holds a Master's degree in Political Science from Western University.

Linda Currie

Linda is a retired senior partner and former chair of the Investment Funds & Asset Management Practice of Osler, Hoskin & Harcourt LLP. She practiced corporate and securities law for more than 30 years with a particular emphasis on financial services, investment funds, asset management and related securities regulatory matters. Linda advised Canadian and international asset management firms, and the boards and independent review committees of investment funds. She was a member of the Investment Funds Advisory Committee of the Ontario Securities Commission and has sat on the boards of two public mutual fund corporations.

Linda holds a Bachelor of Arts with Honours from Western University, a Bachelor of Education from the University of Toronto and a Bachelor of Laws from Osgoode Hall at York University. Before her career in law Linda taught French and Art at North Toronto Collegiate.

Holding of Securities

All IRC members are independent of the Manager and maintain transparency in relation to their personal holdings of Funds and securities of the Manager.

Funds

As at March 31, 2021 the members of the IRC did not beneficially own, directly or indirectly, in the aggregate, more than 0.1% of any outstanding units of any series of the Funds.

Manager

As at March 31, 2021, the members of the IRC did not beneficially own directly or indirectly, in the aggregate, more than 0.1% of any class or series of voting or equity securities of the Manager or its indirect parent company, Great-West Lifeco Inc.

Service Providers

As at March 31, 2021, the members of the IRC did not beneficially own, in the aggregate, directly or indirectly, more than 0.1% of any class or series of voting or equity securities of any material service provider to the Funds or the Manager.

IRC Compensation and Indemnities

The aggregate compensation paid by the Funds to the IRC for the approximately three-month Reporting Period, from the inception of the current IRC on December 22, 2020 to March 31, 2021 was \$32,500. This amount was allocated among the Funds in a manner that is considered by the Manager to be fair and reasonable to the Funds.

The initial compensation was set by the Manager. As at the date of this report, each member of the IRC receives an annual retainer of \$40,000 (\$50,000 for the Chair), which includes attending meetings. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of

INDEPENDENT REVIEW COMMITTEE OF CANADA LIFE FUNDS 2021 REPORT TO UNITHOLDERS

their duties, including reasonable travel and accommodation expenses. At least annually, the IRC will review its compensation by giving consideration to the following factors:

1. the best interest of the Funds;
2. industry practices, including industry averages and surveys on IRC compensation;
3. the number, nature and complexity of the Funds for which the IRC acts;
4. the nature and extent of the workload of each member of the IRC, including the time commitment that is expected from each member; and
5. any recommendations concerning IRC compensation made by the Manager.

No indemnities were paid to the IRC by the Funds or the Manager during the Reporting Period.

Conflict of Interest Matters

National Instrument 81 – 107 *Independent Review Committee for Investment Funds* requires the IRC to review all conflicts of interest matters identified and referred to the IRC by the Manager and to give its approval or recommendation, depending on the nature of the conflict of interest matter.

For each of the approvals or recommendations summarized below, the IRC issued standing instructions at its initial meeting on December 22, 2020, and will review all existing standing instructions each year, as well as the Manager’s proposals to continue or terminate those standing instructions. In addition, the IRC will review, from time to time, the Manager’s requests for new standing instructions.

Approvals and Standing Instructions

The Manager received positive approvals and standing instructions in respect of the conflict of interest matters addressed by the following policies:

1. ***Investments in Securities of a Related Company***: during the Reporting Period, the Manager relied upon the approval and standing instructions issued by the IRC to enable the Funds to invest in related issuers of the Funds. Absent IRC approval, the Funds could not have made these investments. For the purposes of the above, a related issuer of a Fund is an issuer: (i) who is a substantial securityholder of the Manager (holding more than 20% of the voting securities of the Manager), or (ii) in which a substantial securityholder of the Manager has a significant interest (holding more than 10% of the voting securities of the issuer), or (iii) of which a director or officer of the portfolio manager or an affiliate of the portfolio manager is also a director or officer.

The standing instructions require that the Manager acts in accordance with its Investment in Securities of a Related Company Policy (the “Related Issuer Policy”), make periodic reports of its adherence to the Policy accompanied by certificates of the applicable portfolio managers attesting thereto, and to provide timely notification of any material breaches of, or exceptions to, the Related Issuer Policy.

2. ***Cross Trade***: during the Reporting Period, there were no transactions for which the Manager relied on the approval and standing instructions issued by the IRC to engage in cross trading. Cross trading occurs when a Fund purchases portfolio securities from, or sells portfolio securities to, another Fund. The Manager’s Cross Trade Policy (the “Cross Trade Policy”) permits cross trades between the Funds or between a Fund and a fund governed by National Instrument 81-107 managed by an affiliate of the Manager. Absent IRC approval, the Funds would not be able to engage in cross trading.

**INDEPENDENT REVIEW COMMITTEE OF CANADA LIFE FUNDS
2021 REPORT TO UNITHOLDERS**

The standing instructions require the Manager to act in accordance with the Cross Trade Policy, make periodic reports of its adherence to the Policy and provide timely notification of any material breaches of, or exceptions to, the Policy.

The IRC is required to advise the Canadian regulatory authorities if it determines that an investment decision was not made in accordance with conditions of its approval.

Positive Recommendations and Standing Instructions

The Manager received positive recommendations and standing instructions in respect of the conflict of interest matters addressed by the following policies:

1. **Dissemination of Portfolio Information:** governs the release of information about a Fund's investments.
2. **Gift and Entertainment:** governs the *acceptance* of gifts and entertainment by the Manager's personnel.
3. **Personal Trading for Fund Insiders:** governs the personal trading of individuals who have access to inside information about the Funds.
4. **Personal Trading for Access Persons:** governs the personal trading of individuals who have access to portfolio information about the Funds.
5. **Best Execution:** governs the oversight of the execution of trades of portfolio securities by brokers, including the selection of brokers and commissions paid.
6. **Proxy Voting:** governs voting of proxies held by the Funds.
7. **Use of Client Brokerage Commissions:** governs the acceptance of services by the Manager from brokers that execute portfolio transactions for the Funds.
8. **Trade Allocation:** governs the allocation of investment opportunities among the Funds and other accounts.
9. **Short-Term Trade Monitoring:** governs the monitoring of potential harmful investor activity.
10. **Gain/Loss Accounting:** governs the correction of errors in calculating the security price of a Fund, in managing investor transactions, and in trading a Fund's portfolio securities.
11. **Valuation:** governs the determination of the value of a Fund's portfolio securities.
12. **Sub-Advisor Compliance Oversight:** governs the oversight of the Funds' sub-advisors.
13. **Redemption & Disposition for Investments in Funds:** governs the process by which the Manager withdraws seed capital from the Funds
14. **Investment Management Changes:** governs investment management changes where the change results in an economic benefit to the Manager or a related entity.
15. **Large Transactions in Mutual Funds:** governs the arrangements made by the Manager for accepting significant purchases and redemptions in the Funds.
16. **Affiliated Service Provider:** governs the engagement and oversight of Mackenzie Financial Corporation as a key service provider to the Funds.

INDEPENDENT REVIEW COMMITTEE OF CANADA LIFE FUNDS 2021 REPORT TO UNITHOLDERS

The IRC is not aware of any instance in which the Manager acted in a conflict of interest matter but did not meet a condition imposed by the IRC in its approval or recommendation, as applicable. The Manager has an obligation to notify the IRC of any such instance.

Negative Recommendations

The IRC is not aware of any instance in which the Manager acted in a conflict of interest matter referred to the IRC for which the IRC did not give a positive recommendation. The Manager has an obligation to notify the IRC of any such instance.

Additional Information

This report is available on the Funds' website under "Disclosures" at www.candalifeinvest.ca, or you may request a copy, at no cost to you, by contacting Canada Life toll-free at 1-888-532-3322. This document and other information about the Funds are also available at www.sedar.com.

Unitholders who would like additional details regarding the activities of the IRC may contact the Manager at the above phone number. Questions for members of the IRC may be e-mailed to: irc@canadalife.com.

SCHEDULE A: CANADA LIFE FUNDS

As at March 31, 2021

Canada Life Mutual Funds

Canada Life Advanced Folio Fund
 Canada Life Aggressive Folio Fund
 Canada Life American Equity Fund (Beutel Goodman)
 Canada Life Balanced Folio Fund
 Canada Life Balanced Fund (Beutel Goodman)
 Canada Life Canadian Balanced Fund
 Canada Life Canadian Dividend Fund
 Canada Life Canadian Dividend Fund (Laketon)
 Canada Life Canadian Equity Fund (Beutel Goodman)
 Canada Life Canadian Equity Fund (Laketon)
 Canada Life Canadian Fixed Income Balanced Fund
 Canada Life Canadian Focused Growth Fund
 Canada Life Canadian Growth Fund (GWLIM)
 Canada Life Canadian Low Volatility Fund (London Capital)
 Canada Life Canadian Value Fund (FGP)
 Canada Life Conservative Folio Fund
 Canada Life Core Bond Fund (Portico)
 Canada Life Core Plus Bond Fund (Portico)
 Canada Life Corporate Bond Fund (Portico)
 Canada Life Diversified Fixed Income Folio Fund
 Canada Life Dividend Fund (GWLIM)
 Canada Life Equity/Bond Fund (GLC)
 Canada Life Floating Rate Income Fund
 Canada Life Foreign Equity Fund
 Canada Life Global All Cap Equity Fund (Setanta)
 Canada Life Global Balanced Fund
 Canada Life Global Dividend Equity Fund (Setanta)
 Canada Life Global Focused Growth Balanced Fund
 Canada Life Global Founders Fund (Beutel Goodman)
 Canada Life Global Growth Balanced Fund (T. Rowe Price)
 Canada Life Global Growth Equity Fund (T. Rowe Price)
 Canada Life Global Infrastructure Equity Fund (London Capital)
 Canada Life Global Low Volatility Fund (ILIM)
 Canada Life Global Monthly Income Fund (London Capital)
 Canada Life Global Multi-Sector Bond Fund (T. Rowe Price)
 Canada Life Global Real Estate Fund (London Capital)
 Canada Life Global Small-Mid Cap Growth Fund
 Canada Life Global Value Balanced Fund (Beutel Goodman)
 Canada Life Growth and Income Fund (GWLIM)
 Canada Life Income Fund (Portico)
 Canada Life International Bond Fund (CLI)
 Canada Life International Core Equity Fund (JPMorgan)
 Canada Life International Opportunity Fund (JPMorgan)
 Canada Life Long Term Bond Fund (Portico)
 Canada Life Mid Cap Canada Fund (GWLIM)

Canada Life Moderate Folio Fund
 Canada Life Money Market Fund
 Canada Life Monthly Income Fund (London Capital)
 Canada Life North American High Yield Bond Fund
 Canada Life North American Specialty Fund
 Canada Life Science & Technology Fund (London Capital)
 Canada Life Short Term Bond Fund (Portico)
 Canada Life Strategic Income Fund
 Canada Life Tactical Bond Fund (Portico)
 Canada Life Unconstrained Fixed Income Fund
 Canada Life US All Cap Growth Fund
 Canada Life US Dividend Fund (GWLIM)
 Canada Life US Equity Fund (London Capital)
 Canada Life US Low Volatility Fund (Putnam)
 Canada Life US Mid Cap Opportunities Fund
 Canada Life US Value Fund (Putnam)

Canada Life Pathways Funds

Canada Life Pathways Canadian Concentrated Equity Fund
 Canada Life Pathways Canadian Equity Fund
 Canada Life Pathways Core Bond Fund
 Canada Life Pathways Core Plus Bond Fund
 Canada Life Pathways Emerging Markets Equity Fund
 Canada Life Pathways Emerging Markets Large Cap Equity Fund
 Canada Life Pathways Global Core Plus Bond Fund
 Canada Life Pathways Global Multi Sector Bond Fund
 Canada Life Pathways Global Tactical Fund
 Canada Life Pathways International Concentrated Equity Fund
 Canada Life Pathways International Equity Fund
 Canada Life Pathways Money Market Fund
 Canada Life Pathways U.S. Concentrated Equity Fund
 Canada Life Pathways U.S. Equity Fund
 Canada Life Risk Reduction Pool
 Canada Life Risk-Managed Balanced Portfolio
 Canada Life Risk-Managed Conservative Income Portfolio
 Canada Life Risk-Managed Growth Portfolio