

Fund name reference table

This table is included to assist you in locating the funds you have invested in. This will enable you to match the name as shown in your annual statement or information folder and the legal name of the fund as shown in these financial statements.

Common name

Legal name

Funds managed by Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Asset allocation funds

Advanced Allocation	Advanced Allocation Fund S-629
Aggressive Allocation	Aggressive Allocation Fund S-630
Balanced Allocation	Balanced Allocation Fund S-628
Conservative Allocation	Conservative Allocation Fund S-626
Diversified Fixed Income Allocation	Diversified Fixed Income Fund (PSG) SF824
Moderate Allocation	Moderate Allocation Fund S-627

Income allocation funds

Income Focus	Income Focus Fund SF631
Income Growth	Income Growth Fund SF632
Income Growth Plus	Income Growth Plus Fund SF633

Managed fund solutions

Balanced Income	Balanced Income Fund (CI) SF800
Core Balanced	Core Balanced Fund SF801
Core Balanced Growth Plus	Core Balanced Growth Plus Fund SF802
Core Conservative Growth	Core Conservative Growth Fund SF803
Core Moderate	Core Moderate Fund SF804
Core Moderate Growth Plus	Core Moderate Growth Plus Fund SF805
Fidelity Balanced	Balanced Fund (Fidelity) SF806
Fidelity Moderate Growth Plus	Moderate Growth Plus Fund (Fidelity) SF807
Fidelity Moderate Income	Moderate Income Fund (Fidelity) SF808
Franklin Templeton Balanced Income	Balanced Income Fund (Franklin Templeton) SF809
Franklin Templeton Moderate Growth	Moderate Growth Fund (Franklin Templeton) SF810
Franklin Templeton Moderate Income	Moderate Income Fund (Franklin Templeton) SF811
Index ETF Balanced Portfolio	Index ETF Balanced Portfolio Fund 2.00PSG
Index ETF Conservative Portfolio	Index ETF Conservative Portfolio Fund 1.99PSG
Index ETF Growth Portfolio	Index ETF Growth Portfolio Fund 2.01PSG
Mackenzie Balanced	Balanced Fund (Mackenzie) SF812
Mackenzie Balanced Income	Balanced Income Fund (Mackenzie) SF813
Mackenzie Moderate Growth	Moderate Growth Fund (Mackenzie) SF814
Mackenzie Moderate Income	Moderate Income Fund (Mackenzie) SF815

Funds managed by The Canada Life Assurance Company

Long Term Bond	Long Term Bond Fund (PIM) SF818
Real Return Bond	Real Return Bond Fund (PIM) SF820

Funds managed by Canada Life Investment Management Ltd.

Canadian Core Plus Bond	Pathways Core Plus Bond Fund (Mackenzie) SF540
Canadian Dividend	Dividend Fund (Mackenzie) SF565
Canadian Focused Growth	Canadian Equity Growth Fund S-102MF
Canadian Focused Growth II	Harbour Canadian Fund (CI) SF175
Canadian Growth	Pathways Canadian Equity Fund (GWLIM) SF543
Diversified Real Assets	Canada Life Diversified Real Assets Fund 2.40CS
Emerging Markets Concentrated Equity	Pathways Emerging Markets Equity Fund (Northcape) SF550
Emerging Markets Large Cap Equity	Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549
ESG U.S. Equity	ESG U.S. Equity Fund 2.37JPM
Floating Rate Income	Floating Rate Income Fund (MF) SF526
Foreign Equity	Ivy Foreign Equity Fund (Mackenzie) SF564
Global Balanced	Global Balanced Fund (Mackenzie) SF513
Global Core Plus Bond	Pathways Global Core Plus Bond Fund (Mackenzie) SF541
Global Growth Opportunities	Global Future Fund S-183MF
Global Multi-Sector Bond	Pathways Global Multi Sector Bond Fund (Brandywine) SF542
Global Resources	Canadian Resource Fund S-348MF
Global Small-Mid Cap Growth	Global Small-Mid Cap Growth Fund 2.39MI
Global Tactical	Pathways Global Tactical Fund (ILIM) SF551
High Interest Savings	High Interest Savings Fund 2.56CPS
International Concentrated Equity	Pathways International Concentrated Equity Fund (C WorldWide) SF548
International Equity II	International Equity Fund (CI) SF182

Common name	Legal name
International Value	Pathways International Equity Fund (Setanta) SF547
Strategic Income	Maxxum Canadian Balanced Fund (Mackenzie) SF519
Sustainable Balanced Portfolio	Balanced Fund (Bissett) SF104
Sustainable Conservative Portfolio	Canadian Growth & Income Fund (AGF) SF249
Sustainable Emerging Markets Equity	Sustainable Emerging Markets Equity Fund 2.36JPM
Sustainable Global Bond	Sustainable Global Bond Fund 2.34JPM
Sustainable Global Equity	Sustainable Global Equity Fund 2.35JPM
Sustainable Growth Portfolio	Harbour Growth & Income Fund (CI) SF190
U.S. All Cap Growth	U.S. Growth Leaders Fund S-286MF
U.S. Carbon Transition Equity	U.S. Carbon Transition Equity Fund 2.38JPM
U.S. Concentrated Equity	Pathways U.S. Concentrated Equity Fund (Aristotle) SF546
U.S. Value	Pathways U.S. Equity Fund (Putnam) SF545
Funds managed by GWL Realty Advisors Inc.	
Real Estate	Real Estate Fund (GWLRA) SF353
Funds managed by AGF Investments Inc.	
American Growth	American Growth Fund (AGF) SF247
Canadian Small Cap Growth	Canadian Equity Fund (AGF) SF101
Funds managed by Beutel, Goodman & Company Ltd.	
American Value	American Equity Fund (BG) SF562
Canadian Focused Value	Canadian Equity Fund (BG) SF553
Canadian Value Balanced	Balanced Fund (BG) SF552
Global Founders	Global Founders Fund 1.00BG
Global Value Balanced	Global Value Balanced Fund 1.01BG
Funds managed by Canada Life Asset Management Limited	
Far East Equity	International Bond Fund (Laketon) SF036
International Bond	Far East Equity Fund S-038MF
Funds managed by Capital Group	
Global Equity	Global Equity Fund 1.08CG
Funds managed by Connor, Clark & Lunn	
Canadian Fundamental Equity	Pathways Canadian Concentrated Equity Fund (Galibier) SF544
Funds managed by Fiera Capital Corporation	
Canadian Focused Value Stock	Canadian Equity Fund (Trimark) SF052
Funds managed by Fidelity Investments Canada ULC	
Fidelity American Disciplined Equity®	American Disciplined Equity Fund (Fidelity) SF356
Fidelity Global Balanced Portfolio	Global Balanced Portfolio Fund 1.04FID
Fidelity Global Equity	International Portfolio Fund (Fidelity) SF184
Fidelity Global Income Portfolio	Global Income Portfolio Fund 1.03FID
Fidelity NorthStar®	Northstar Fund (Fidelity) SF355
Fidelity NorthStar® Balanced	Canadian Asset Allocation Fund (Fidelity) SF191
Fidelity True North®	True North Fund (Fidelity) SF176
Funds managed by Franklin Templeton Investments Corp.	
Canadian Small Cap	Small Cap Equity Fund (Bissett) SF105
Canadian Stock	Canadian Equity Fund (Bissett) SF103
EAFE Stock	International Equity Fund (Templeton) SF118
Funds managed by Invesco Canada Ltd.	
All World Equity	Global Equity Fund (Trimark) SF051
Canadian Focused Premier Growth	Canadian Growth Fund (AIM) SF289
Canadian Premier Balanced	Balanced Fund (Trimark) SF054
Funds managed by Irish Life Investment Managers Limited (ILIM)	
Global Low Volatility	Global Low Vol Fund (ILIM) SF561
Risk-Managed Balanced Portfolio	Risk-Managed Balanced Portfolio Fund 1.22IL
Risk-Managed Conservative Income Portfolio	Risk-Managed Conservative Income Portfolio Fund 1.21IL
Risk-Managed Growth Portfolio	Risk-Managed Growth Portfolio Fund 1.23IL

Common name

Legal name

Funds managed by J.P. Morgan Asset Management

International Equity
International Growth

International Equity Fund (JPM) SF555
International Opportunity Fund (JPM) SF556

Funds managed by Mackenzie Investments

Canadian All Cap Equity
Canadian Core Bond
Canadian Core Dividend
Canadian Core Plus Bond II
Canadian Corporate Bond
Canadian Equity
Canadian Equity Value
Canadian Equity Value II
Canadian Fixed Income Balanced
Canadian Fixed Income Balanced II
Canadian Focused Dividend
Canadian Growth Balanced
Canadian Growth Balanced II
Canadian Low Volatility
Canadian Small-Mid Cap
Canadian Stock Balanced
Canadian Tactical Bond
Emerging Markets Equity
Global Growth Opportunities Balanced
Global Infrastructure
Global Strategic Income
Global Value Stock
Government Bond
Money Market
North American High Yield Fixed Income
Science and Technology
Short-Term Bond
Strategic Income II
Strategic Income III
Strategic Income IV
U.S. Dividend
U.S. Growth
U.S. Mid Cap Growth
U.S. Value Stock
Unconstrained Fixed Income

Canadian Equity Fund (Howson Tattersall) SF177
Core Bond Fund (PIM) SF531
Enhanced Dividend Fund (Laketon) SF039
Fixed Income Fund (Laketon) SF019
Corporate Bond Fund (PIM) SF817
Canadian Equity Fund (Laketon) SF009
Canadian Equity Fund S-285LL
Canadian Equity Value Fund S-347C
Income Opportunity Fund (LLIM) SF354
Sentinel Income Fund (Mackenzie) SF521
Dividend Fund S-189LL
Equity/Bond Fund (GLC) SF825
Saxon Balanced Fund (Mackenzie) SF520
Canadian Low Vol Equity Fund (LC) SF554
Mid Cap Canada Fund S-346G
Ivy Canadian Balanced Fund (Mackenzie) SF563
Tactical Bond Fund (PIM) SF558
Emerging Markets Fund (Mackenzie) SF532
Global Growth Balanced Fund 1.02MAC
Global Infrastructure Equity Fund (London Capital) SF515
Global Monthly Income Fund (L) SF822
Global Value Fund (Mackenzie) SF514
Government Bond Fund S-167G
Money Market Fund (Laketon) SF029
North American High Yield Bond Fund (MF) SF819
Science & Technology Fund (LC) SF557
Short Term Bond Fund (PIM) SF816
Managed Fund (Laketon) SF035
Diversified Fund (GLC) SF823
Monthly Income Fund (L) SF821
U.S. Dividend Fund (GWLIM) SF522
U.S. Equity Fund (LC) SF559
U.S. Mid Cap Equity Fund (LC) SF560
U.S. Value Fund S-178LL
Global Unconstrained Fund (Mackenzie) SF530

Funds managed by Putnam Investments Canada ULC

EAFE Equity
U.S. Low Volatility

International Equity Fund (P) SF529
U.S. Low Volatility Fund (P) SF527

Funds managed by Setanta Asset Management Limited

European Equity
Global All Cap Equity
Global Dividend

European Equity Fund S-037ST
Global Equity Fund SF034
Global Dividend Fund (SAM) SF528

Funds managed by TD Asset Management Inc.

Canadian Neutral Balanced
Indexed Canadian Bond

Balanced Fund (Greystone) SF208
Indexed Canadian Bond Fund (TDQC) SF079

Funds managed by T Rowe Price (Canada), Inc.

Global Growth Balanced
Global Growth Equity
Global Multi-Sector Fixed Income

Global Growth Balanced Fund 1.05TRP
Global Growth Equity Fund 1.07TRP
Global Multi-Sector Bond Fund 1.06TRP

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (LAKETON) SF009

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (Laketon) SF009 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (Laketon) SF009

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 882	\$ 774
Investment income due and accrued	194	336
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	893
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	125,618	210,089
Investment fund units	—	—
Total investments	125,618	210,089
Total assets	\$ 126,694	\$ 212,092
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	155	64
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	155	64
Net assets attributable to contractholders	\$ 126,539	\$ 212,028

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 41,041	\$ 21,378
Miscellaneous income (loss)	38	333
Total income (loss)	41,079	21,711
Expenses		
Management fees (note 7)	2,329	2,219
Transaction costs	97	136
Withholding taxes	12	12
Other	232	212
Total expenses	2,670	2,579
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 38,409	\$ 19,132

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 212,028	\$ 196,790
Contractholder deposits	7,373	12,645
Contractholder withdrawals	(131,271)	(16,539)
Increase (decrease) in net assets from operations attributable to contractholders	38,409	19,132
Change in net assets attributable to contractholders	(85,489)	15,238
Net assets attributable to contractholders - end of year	\$ 126,539	\$ 212,028

Canadian Equity Fund (Laketon) SF009

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 38,409	\$ 19,132
Adjustments		
Realized (gains) losses	(38,931)	(12,741)
Unrealized (gains) losses	2,813	(2,640)
Gross proceeds of disposition of investments	209,028	142,203
Gross payments for the purchase of investments	(88,439)	(147,276)
Change in investment income due and accrued	142	96
Change in due from/to The Canada Life Assurance Company	91	132
Change in due from/to brokers	893	(893)
Change in due from/to outside parties	—	—
	124,006	(1,987)
Financing Activities		
Contractholder deposits	7,373	12,645
Contractholder withdrawals	(131,271)	(16,539)
	(123,898)	(3,894)
Net increase (decrease) in cash, short-term deposits and overdrafts	108	(5,881)
Cash, short-term deposits and overdrafts, beginning of year	774	6,655
Cash, short-term deposits and overdrafts, end of year	\$ 882	\$ 774
Supplementary cash flow information		
Dividend income received	\$ 4,994	\$ 5,936

Canadian Equity Fund (Laketon) SF009

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	13,031	843	576
Consumer Discretionary			
Aritzia Inc.	25,912	1,199	1,385
Dollarama Inc.	20,649	1,090	2,897
Consumer Staples			
Alimentation Couche-Tard Inc.	33,623	2,272	2,680
Loblaw Companies Ltd.	14,064	1,700	2,660
Energy			
AltaGas Ltd.	68,343	1,876	2,288
ARC Resources Ltd.	117,794	2,501	3,071
Cameco Corp.	14,958	991	1,106
Canadian Natural Resources Ltd.	106,629	2,885	4,732
Pembina Pipeline Corp.	70,629	3,431	3,751
Tourmaline Oil Corp.	30,043	2,112	1,998
Financials			
Bank of Montreal	24,720	3,296	3,450
Brookfield Corp.	56,222	2,705	4,645
Canadian Imperial Bank of Commerce	36,619	3,161	3,330
Element Fleet Management Corp.	35,116	953	1,020
Fairfax Financial Holdings Ltd. sub. voting	1,645	2,226	3,290
iA Financial Corp. Inc.	10,638	986	1,418
Intact Financial Corp.	11,897	2,389	3,114
National Bank of Canada	28,895	3,055	3,786
Royal Bank of Canada	58,219	5,118	10,090
The Toronto-Dominion Bank	31,326	2,167	2,397
Thomson Reuters Corp.	7,725	1,429	1,783
TMX Group Ltd.	28,015	847	1,241
Health Care			
Savaria Corp.	30,124	674	599

Canadian Equity Fund (Laketon) SF009

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials			
AtkinsRealis Group Inc.	13,182	982	1,005
Boyd Group Services Inc.	2,937	730	637
Canadian National Railway Co.	16,474	2,383	2,405
Canadian Pacific Kansas City Ltd.	40,235	3,307	4,188
Finning International Inc.	22,857	963	871
RB Global Inc.	10,659	918	1,383
Stantec Inc.	10,082	888	1,137
TFI International Inc.	5,366	857	1,042
Toromont Industries Ltd.	5,932	644	674
Waste Connections Inc.	10,340	1,075	2,550
WSP Global Inc.	5,268	914	1,333
Information Technology			
CGI Group Inc. Class A sub. voting	11,672	1,636	1,836
Constellation Software Inc.	1,443	3,155	6,413
Constellation Software Inc. Warrant 08-22-2028	2,044	-	-
Kinaxis Inc.	3,885	624	673
Shopify Inc.	38,691	4,747	5,919
The Descartes Systems Group Inc.	17,796	2,209	2,908
Materials			
Agnico Eagle Mines Ltd.	17,607	1,323	1,980
Alamos Gold Inc.	84,660	2,039	2,245
Capstone Copper Corp.	74,208	686	660
CCL Industries Inc. Class B non-voting	20,413	1,396	1,510
Franco-Nevada Corp.	5,542	855	936
Osisko Gold Royalties Ltd.	64,011	1,502	1,666
Stella-Jones Inc.	8,755	571	623
Teck Resources Ltd. Class B	16,662	935	971
Wheaton Precious Metals Corp.	16,636	1,025	1,346
Real Estate			
Boardwalk REIT	7,300	605	469
Canadian Apartment Properties REIT	14,409	681	614

Canadian Equity Fund (Laketon) SF009

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Real Estate (continued)			
Colliers International Group Inc.	6,003	847	1,173
FirstService Corp.	4,808	1,014	1,252
Total Canadian Common Stock		89,417	117,726
United States Common Stock			
Consumer Discretionary			
Amazon.com Inc.	4,012	1,310	1,266
AutoZone Inc.	362	1,263	1,667
Information Technology			
Mastercard Inc. Class A	1,757	997	1,330
Real Estate			
Equinix Inc. REIT	963	1,074	1,306
Total United States Common Stock		4,644	5,569
Global Common Stock			
Bermuda			
Brookfield Infrastructure Partners LP Partnership Units	50,850	2,131	2,323
Total Global Common Stock		2,131	2,323
Total Stocks		96,192	125,618
Transaction Costs (note 2)		(47)	
Total Investments		96,145	125,618

Canadian Equity Fund (Laketon) SF009

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Canadian Equity Fund (Laketon) SF009 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Canadian Equity Fund (Laketon) SF009

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 5,569	\$ 62	\$ 5,631	\$ 56
Total	\$ 5,569	\$ 62	\$ 5,631	\$ 56
As Percent of Net Assets Attributable to Contractholders				4.5%
				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 8,043	\$ 50	\$ 8,093	\$ 81
Total	\$ 8,043	\$ 50	\$ 8,093	\$ 81
As Percent of Net Assets Attributable to Contractholders				3.8%
				—%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,256 (\$2,101 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Canadian Equity Fund (Laketon) SF009

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 125,618	\$ —	\$ —	\$ 125,618
Total assets measured at fair value	\$ 125,618	\$ —	\$ —	\$ 125,618

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 210,089	\$ —	\$ —	\$ 210,089
Total assets measured at fair value	\$ 210,089	\$ —	\$ —	\$ 210,089

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Canadian Equity Fund (Laketon) SF009

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	73,558	83,517	93,672	102,825	116,494	42,213	41,660	43,301	51,452	48,472
Generations/Mosaic	509,255	562,245	650,606	715,343	826,201	17,371	16,671	17,876	21,275	20,432
Generations I	76,627	84,305	97,964	110,298	113,392	1,815	1,735	1,869	2,277	1,947
Generations II	57,134	65,241	76,057	81,013	98,629	1,031	1,027	1,113	1,288	1,308
Generations Core	37,252	40,932	45,467	51,578	65,078	731	697	716	877	918
75/75 guarantee policy	213,291	223,822	193,671	131,005	121,064	4,929	4,486	3,589	2,622	2,010
75/100 guarantee policy	482,040	506,276	469,813	370,645	305,278	10,842	9,898	8,512	7,269	4,978
100/100 guarantee policy	20,525	32,074	25,478	29,060	37,951	440	599	442	548	597
PS1 75/75 guarantee policy	151,995	128,735	105,531	91,095	91,397	3,768	2,755	2,079	1,929	1,599
PS1 75/100 guarantee policy	367,208	306,628	297,218	197,544	107,776	8,870	6,408	5,730	4,104	1,853
PS1 100/100 guarantee policy	54,652	37,011	47,514	36,859	35,295	1,264	743	883	741	589
PS2 75/75 guarantee policy	32,984	47,933	48,406	44,475	40,103	1,081	1,326	1,206	1,166	849
PS2 75/100 guarantee policy	16,410	19,361	21,593	29,543	17,147	537	535	537	773	363
PS2 100/100 guarantee policy	712	729	745	761	778	23	20	19	20	16
PS 75/75 guarantee policy	4,713	8,219	8,303	1,670	1,496	76	113	105	23	17
PS 75/100 guarantee policy	20,660	16,067	14,775	11,524	9,529	328	219	185	154	105
PPS 75/75 guarantee policy	6,415	6,412	6,449	—	—	106	91	83	—	—
PPS 75/100 guarantee policy	16,927	14,818	24,820	481	17,211	276	207	316	7	191
PPS 100/100 guarantee policy	5,135	5,183	5,230	—	—	82	71	66	—	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	573.88	498.83	463.12	501.31	416.85	75.05	35.71
Generations/Mosaic	34.11	29.65	27.48	29.74	24.73	4.46	2.17
Generations I	23.68	20.58	19.07	20.65	17.17	3.10	1.51
Generations II	18.05	15.74	14.64	15.90	13.26	2.31	1.10
Generations Core	19.63	17.02	15.74	17.00	14.10	2.61	1.28
75/75 guarantee policy	23.11	20.04	18.53	20.01	16.61	3.07	1.51
75/100 guarantee policy	22.49	19.55	18.12	19.61	16.31	2.94	1.43
100/100 guarantee policy	21.42	18.68	17.37	18.86	15.73	2.74	1.31
PS1 75/75 guarantee policy	24.79	21.40	19.70	21.18	17.49	3.39	1.70
PS1 75/100 guarantee policy	24.16	20.90	19.28	20.77	17.20	3.26	1.62
PS1 100/100 guarantee policy	23.13	20.08	18.59	20.09	16.69	3.05	1.49
PS2 75/75 guarantee policy	32.76	27.67	24.91	26.21	21.18	5.09	2.76
PS2 75/100 guarantee policy	32.72	27.63	24.88	26.17	21.15	5.09	2.75
PS2 100/100 guarantee policy	32.68	27.60	24.85	26.15	21.13	5.08	2.75
PS 75/75 guarantee policy	16.08	13.79	12.61	13.47	11.06	2.29	1.18
PS 75/100 guarantee policy	15.85	13.63	12.49	13.38	11.00	2.22	1.14
PPS 75/75 guarantee policy	16.56	14.14	12.88	—	—	2.42	1.26
PPS 75/100 guarantee policy	16.33	13.97	12.75	13.59	11.12	2.36	1.22
PPS 100/100 guarantee policy	15.98	13.72	12.56	—	—	2.26	1.16

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund (Laketon) SF009

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Equity Fund (Laketon) SF009

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.89	2.86	2.86	2.86	2.86
Generations/Mosaic	2.89	2.86	2.86	2.86	2.86
Generations I	2.89	2.86	2.86	2.86	2.86
Generations II	3.22	3.19	3.19	3.19	3.19
Generations Core	2.67	2.64	2.64	2.64	2.64
75/75 guarantee policy	2.67	2.64	2.63	2.64	2.63
75/100 guarantee policy	2.89	2.86	2.85	2.85	2.86
100/100 guarantee policy	3.22	3.19	3.19	3.19	3.19
PS1 75/75 guarantee policy	2.21	2.19	2.18	2.19	2.18
PS1 75/100 guarantee policy	2.43	2.40	2.40	2.39	2.40
PS1 100/100 guarantee policy	2.76	2.73	2.73	2.73	2.73
PS 75/75 guarantee policy	1.56	1.55	1.53	1.55	1.55
PS 75/100 guarantee policy	1.79	1.77	1.76	1.76	1.76
PPS 75/75 guarantee policy	1.11	1.09	1.10	—	—
PPS 75/100 guarantee policy	1.33	1.31	1.31	1.31	1.31
PPS 100/100 guarantee policy	1.66	1.64	1.64	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	41.38	70.87	27.27	28.22	53.95

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
FIXED INCOME FUND (LAKETON) SF019

December 31, 2024

Independent Auditor's Report

To the Contractholders of Fixed Income Fund (Laketon) SF019 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Fixed Income Fund (Laketon) SF019

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 5,795	\$ 7,496
Investment income due and accrued	1,814	1,738
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	247,346	238,759
Stocks	8,185	8,096
Investment fund units	—	—
Derivatives (note 7)	101	794
Total investments	255,632	247,649
Total assets	\$ 263,241	\$ 256,883
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	39	81
Due to brokers	—	122
Due to outside parties	—	—
Derivatives (note 7)	660	252
Total liabilities excluding net assets attributable to contractholders	699	455
Net assets attributable to contractholders	\$ 262,542	\$ 256,428

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 14,350	\$ 16,466
Miscellaneous income (loss)	58	318
Total income (loss)	14,408	16,784
Expenses		
Management fees (note 8)	698	817
Transaction costs	—	1
Withholding taxes	—	1
Other	92	86
Total expenses	790	905
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 13,618	\$ 15,879

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 256,428	\$ 260,271
Contractholder deposits	18,786	18,357
Contractholder withdrawals	(26,290)	(38,079)
Increase (decrease) in net assets from operations attributable to contractholders	13,618	15,879
Change in net assets attributable to contractholders	6,114	(3,843)
Net assets attributable to contractholders - end of year	\$ 262,542	\$ 256,428

Fixed Income Fund (Laketon) SF019

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 13,618	\$ 15,879
Adjustments		
Add back amortization of premium (discount)	526	(391)
Realized (gains) losses	2,479	9,509
Unrealized (gains) losses	(7,564)	(16,239)
Gross proceeds of disposition of investments	197,751	192,734
Gross payments for the purchase of investments	(200,767)	(180,876)
Change in investment income due and accrued	(76)	(9)
Change in due from/to The Canada Life Assurance Company	(42)	6
Change in due from/to brokers	(122)	122
Change in due from/to outside parties	—	—
	5,803	20,735
Financing Activities		
Contractholder deposits	18,786	18,357
Contractholder withdrawals	(26,290)	(38,079)
	(7,504)	(19,722)
Net increase (decrease) in cash, short-term deposits and overdrafts	(1,701)	1,013
Cash, short-term deposits and overdrafts, beginning of year	7,496	6,483
Cash, short-term deposits and overdrafts, end of year	\$ 5,795	\$ 7,496
Supplementary cash flow information		
Interest income received	\$ 9,149	\$ 8,337
Dividend income received	299	443

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 2.25% 12-15-2025	684,000	678	679
Canada Housing Trust No. 1 3.10% 06-15-2028	1,651,000	1,646	1,656
Government of Canada 2.75% 12-01-2055	12,080,000	10,899	10,735
Government of Canada 3.00% 06-01-2034	9,218,000	8,928	9,060
Government of Canada 3.25% 12-01-2034	9,680,000	9,525	9,700
Government of Canada 3.50% 03-01-2034	1,343,000	1,338	1,375
Total Federal Government		33,014	33,205
Provincial Government			
Ontario Power Generation Inc. 1.17% 04-22-2026	113,000	101	110
Ontario Power Generation Inc. 2.893% 04-08-2025	914,000	877	913
Ontario Power Generation Inc. 4.831% 06-28-2034	178,000	178	186
Province of Alberta 2.95% 06-01-2052	574,000	514	458
Province of Alberta 3.05% 12-01-2048	552,000	573	453
Province of Alberta 3.10% 06-01-2050	3,995,000	4,053	3,298
Province of Alberta 4.15% 06-01-2033	642,000	638	664
Province of Alberta 4.45% 12-01-2054	318,000	338	331
Province of British Columbia 2.95% 06-18-2050	870,000	878	695
Province of British Columbia 4.45% 12-18-2055	549,000	570	570
Province of Manitoba 2.05% 09-05-2052	1,344,000	844	858
Province of Manitoba 3.20% 03-05-2050	60,000	64	50
Province of Manitoba 3.80% 09-05-2053	1,767,000	1,614	1,622
Province of Ontario 2.65% 12-02-2050	2,610,000	1,955	1,977
Province of Ontario 3.80% 12-02-2034	7,971,000	7,964	7,941
Province of Ontario 4.05% 02-02-2032	1,841,000	1,839	1,905
Province of Ontario 4.10% 03-04-2033	846,000	843	873
Province of Ontario 4.15% 06-02-2034	9,762,000	9,642	10,030
Province of Ontario 4.15% 12-02-2054	1,660,000	1,638	1,650
Province of Ontario 4.60% 12-02-2055	2,449,000	2,638	2,626
Province of Quebec 3.65% 05-20-2032	450,000	450	454
Province of Quebec 3.90% 11-22-2032	350,000	345	358
Province of Quebec 4.20% 12-01-2057	3,437,000	3,370	3,428
Province of Quebec 4.40% 12-01-2055	8,113,000	8,337	8,365

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Quebec 4.45% 09-01-2034	5,138,000	5,213	5,387
Province of Saskatchewan 2.15% 06-02-2031	114,000	99	106
Province of Saskatchewan 2.80% 12-02-2052	815,000	825	628
Province of Saskatchewan 3.10% 06-02-2050	2,085,000	2,140	1,720
Province of Saskatchewan 4.20% 12-02-2054	957,000	968	955
Total Provincial Government		59,508	58,611
Municipal Government			
City of Ottawa 3.05% 05-10-2039	411,000	409	356
City of Ottawa 3.25% 11-10-2047	158,000	173	131
Total Municipal Government		582	487
Corporate - Non-convertible			
407 International Inc. 3.14% 03-06-2030	317,000	293	311
407 International Inc. 3.30% 03-27-2045	206,000	206	172
407 International Inc. 3.43% 06-01-2033	419,000	379	404
407 International Inc. 3.60% 05-21-2047	394,000	316	342
407 International Inc. 3.67% 03-08-2049	441,000	378	384
407 International Inc. 4.22% 02-14-2028	252,000	252	257
407 International Inc. 4.54% 10-09-2054	114,000	114	114
407 International Inc. 4.68% 10-07-2053	74,000	75	76
407 International Inc. 4.86% 07-31-2053	89,000	89	93
Aéroports de Montreal 3.03% 04-21-2050	39,000	30	30
Aéroports de Montreal 3.36% 04-24-2047	266,000	208	224
Aéroports de Montreal 6.55% 10-11-2033	31,000	37	36
AIMCo Realty Investors LP 2.195% 11-04-2026	200,000	200	196
AIMCo Realty Investors LP 2.712% 06-01-2029	627,000	634	602
Alectra Inc. 1.751% 02-11-2031	150,000	132	134
Alectra Inc. 4.627% 06-13-2034	109,000	109	113
Algonquin Power & Utilities Corp. 4.09% 02-17-2027	18,000	20	18
Algonquin Power & Utilities Corp. 5.25% 01-18-2082	877,000	837	842
Algonquin Power Co. 2.85% 07-15-2031	811,000	704	812

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	305,000	305	328
AltaGas Ltd. 5.25% 01-11-2082	161,000	161	156
AltaGas Ltd. 8.90% 11-10-2083	123,000	123	137
AltaLink LP 4.742% 05-22-2054	108,000	108	111
AltaLink LP 5.463% 10-11-2055	113,000	113	130
ARC Resources Ltd. 3.465% 03-10-2031	46,000	44	44
ATCO Ltd. Floating Rate 11-01-2078	510,000	501	522
Athene Global Funding 3.127% 03-10-2025	189,000	189	189
Bank of Montreal 3.19% 03-01-2028	628,000	606	624
Bank of Montreal 3.65% 04-01-2027	469,000	460	471
Bank of Montreal 4.30% 11-26-2025	1,326,000	1,302	1,324
Bank of Montreal 4.309% 06-01-2027	784,000	778	798
Bank of Montreal 4.42% 07-17-2029	521,000	521	535
Bank of Montreal 4.537% 12-18-2028	316,000	316	326
Bank of Montreal 4.709% 12-07-2027	1,635,000	1,630	1,685
Bank of Montreal 4.976% 07-03-2034	252,000	252	260
Bank of Montreal 5.625% 05-26-2082	465,000	452	470
Bank of Montreal 6.034% 09-07-2033	723,000	721	772
Bank of Montreal 6.534% 10-27-2032	368,000	376	394
Bank of Montreal 7.325% 11-26-2082	753,000	753	796
Baytex Energy Corp. 8.50% 04-30-2030 144A	84,000	118	124
BCI QuadReal Realty 2.551% 06-24-2026	52,000	49	51
Bell Canada 2.20% 05-29-2028	126,000	118	120
Bell Canada 3.00% 03-17-2031	220,000	195	207
Bell Canada 4.45% 02-27-2047	327,000	287	295
Bell Canada 5.15% 02-09-2053	136,000	131	135
Bell Canada 5.15% 08-24-2034	215,000	214	224
Bell Canada 5.15% 11-14-2028	460,000	463	480
Bell Canada 5.25% 03-15-2029	273,000	273	287
BMW Canada Inc. 3.99% 10-10-2028	78,000	78	79
British Columbia Investment Management Corp. 4.90% 06-02-2033	855,000	893	925
Brookfield Infrastructure Finance ULC 4.193% 09-11-2028	705,000	799	715
Brookfield Infrastructure Finance ULC 5.616% 11-14-2027	319,000	319	336
Brookfield Renewable Energy Partners LP 3.63% 01-15-2027	443,000	450	444

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Brookfield Renewable Partners ULC 4.959% 10-20-2034	145,000	145	150
Brookfield Renewable Partners ULC 5.292% 10-28-2033	91,000	96	97
Bruce Power LP 4.00% 06-21-2030	537,000	524	540
Bruce Power LP 4.27% 12-21-2034	90,000	90	89
Bruce Power LP 4.99% 12-21-2032	59,000	59	62
Calgary Airport Authority 3.554% 10-07-2051	100,000	87	85
Calgary Airport Authority 3.554% 10-07-2053	90,000	73	76
Cameco Corp. 4.94% 05-24-2031	164,000	164	171
Canadian Core Real Estate 3.299% 03-02-2027	210,000	210	208
Canadian Core Real Estate LP 4.482% 10-16-2029	125,000	125	127
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	232,000	232	232
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	178,000	176	180
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	1,237,000	1,205	1,235
Canadian Imperial Bank of Commerce 4.90% 06-12-2034	262,000	262	270
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	1,001,000	1,010	1,034
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	633,000	633	651
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	169,000	168	175
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	230,000	230	240
Canadian Imperial Bank of Commerce 5.33% 01-20-2033	212,000	212	221
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	193,000	193	201
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	180,000	180	188
Canadian National Railway Co. 4.40% 05-10-2033	179,000	179	184
Canadian Natural Resources Ltd. 3.42% 12-01-2026	488,000	488	488
Canadian Natural Resources Ltd. 4.15% 12-15-2031	135,000	135	135
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	558,000	545	543
Canadian Pacific Railway Ltd. 3.15% 03-13-2029	207,000	188	204
Canadian Utilities Ltd. 4.851% 06-03-2052	231,000	229	237
Canadian Western Bank 1.926% 04-16-2026	1,024,000	1,031	1,007
Canadian Western Bank 2.606% 01-30-2025	130,000	133	130
Canadian Western Bank 4.571% 07-11-2028	64,000	64	66
Canadian Western Bank 5.00% 07-31-2081	80,000	80	80
Canadian Western Bank 5.146% 09-02-2027	573,000	571	597
Canadian Western Bank 5.261% 12-20-2025	99,000	99	101
Canadian Western Bank 5.937% 12-22-2032	93,000	93	98

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Canadian Western Bank 5.949% 01-29-2034	126,000	126	134
Canadian Western Bank 6.00% 04-30-2081	128,000	128	129
Capital Power Corp. 4.831% 09-16-2031	156,000	156	159
Cascades Inc./Cascades USA Inc. 5.125% 01-15-2025	197,000	197	197
CDP Financial Inc. 4.20% 12-02-2030	588,000	594	613
Cenovus Energy Inc. 3.50% 02-07-2028	1,370,000	1,362	1,363
Central 1 Credit Union 5.877% 11-10-2026	132,000	132	137
CES Energy Solutions Corp. 6.875% 05-24-2029	94,000	95	95
CGI Inc. 3.987% 09-07-2027	187,000	187	189
CGI Inc. 4.147% 09-05-2029	133,000	133	135
Choice Properties REIT 2.848% 05-21-2027	308,000	315	303
Choice Properties REIT 3.532% 06-11-2029	976,000	884	961
Choice Properties REIT 5.40% 03-01-2033	402,000	403	425
Coast Capital Savings Federal Credit Union 8.875% 05-02-2033	350,000	350	369
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	134,000	134	140
Coastal Gaslink Pipeline LP 4.907% 06-30-2031	195,000	195	206
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	160,000	160	172
Coastal Gaslink Pipeline LP 5.538% 06-30-2039	238,000	257	263
Cogeco Communications Inc. 2.991% 09-22-2031	165,000	165	152
Cogeco Communications Inc. 5.299% 02-16-2033	85,000	85	89
Cogeco Communications Inc. 6.125% 02-27-2029	192,000	192	198
Cologix Data Centers Issuer LLC 4.94% 01-25-2052	3,000	3	3
Cologix Data Centers Issuer LLC 5.68% 01-25-2052	25,000	25	24
Corus Entertainment Inc. 5.00% 05-11-2028	63,000	63	30
CPPIB Capital Inc. 2.25% 12-01-2031	1,042,000	937	964
CPPIB Capital Inc. 3.95% 06-02-2032	1,198,000	1,193	1,229
Crombie REIT 3.133% 08-12-2031	157,000	150	145
Crombie REIT 4.732% 01-15-2032	92,000	92	93
CU Inc. 4.085% 09-02-2044	39,000	39	37
CU Inc. 4.773% 09-14-2052	216,000	216	224
CU Inc. 5.088% 09-20-2053	203,000	203	221
Curaleaf Holdings Inc. 8.00% 12-15-2026	220,000	282	303
Dollarama Inc. 5.533% 09-26-2028	217,000	217	231
Dream Industrial REIT 1.662% 12-22-2025	128,000	128	126

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Dream Industrial REIT 2.057% 06-17-2027	537,000	527	516
Dream Industrial REIT 2.539% 12-07-2026	152,000	152	149
Dream Industrial REIT 5.383% 03-22-2028	202,000	203	211
Dream Summit Industrial LP 4.507% 02-12-2031	84,000	84	85
Enbridge Gas Inc. 2.35% 09-15-2031	61,000	51	56
Enbridge Gas Inc. 2.37% 08-09-2029	61,000	52	58
Enbridge Gas Inc. 4.55% 08-17-2052	399,000	377	393
Enbridge Gas Inc. 5.70% 10-06-2033	223,000	228	249
Enbridge Inc. 3.10% 09-21-2033	560,000	553	514
Enbridge Inc. 4.73% 08-22-2034	203,000	204	208
Enbridge Inc. 4.90% 05-26-2028	229,000	229	238
Enbridge Inc. 5.375% 09-27-2077	3,054,000	2,969	3,086
Enbridge Inc. 6.625% 04-12-2078	999,000	1,011	1,050
Enbridge Inc. 8.495% 01-15-2084	75,000	78	83
Enbridge Pipelines Inc. 4.20% 05-12-2051	223,000	191	196
Enbridge Pipelines Inc. 4.33% 02-22-2049	209,000	201	188
Enbridge Pipelines Inc. 4.55% 09-29-2045	67,000	60	63
Enbridge Pipelines Inc. 5.82% 08-17-2053	58,000	62	65
Energir Inc. 2.10% 04-16-2027	168,000	153	163
Energir LP 4.67% 09-27-2032	163,000	163	169
ENMAX Corp. 4.695% 10-09-2034	116,000	116	117
EPCOR Utilities Inc. 3.106% 07-08-2049	402,000	300	316
EPCOR Utilities Inc. 3.554% 11-27-2047	308,000	316	264
EPCOR Utilities Inc. 4.725% 09-02-2052	221,000	221	226
EPCOR Utilities Inc. 4.99% 05-31-2054	227,000	227	243
EPCOR Utilities Inc. 5.326% 10-03-2053	416,000	431	467
Equitable Bank 1.876% 11-26-2025	35,000	31	34
Equitable Bank 3.362% 03-02-2026	167,000	167	166
Equitable Bank 3.91% 12-17-2027	273,000	273	273
Equitable Bank 3.99% 03-24-2028	149,000	149	149
Equitable Bank 5.16% 01-11-2027	244,000	244	251
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	526,000	502	522
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	345,000	333	350
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	188,000	188	188

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	223,000	223	227
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	465,000	465	479
Federation des Caisses Desjardins du Quebec 5.20% 10-01-2025	335,000	336	339
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	244,000	244	255
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	369,000	373	392
First Capital REIT 3.447% 03-01-2028	65,000	57	64
First Capital REIT 4.513% 06-03-2030	158,000	158	159
First Capital REIT 5.455% 06-12-2032	94,000	94	99
First Capital REIT 5.57% 03-01-2031	622,000	632	659
First National Financial Corp. 2.961% 11-17-2025	130,000	130	129
First West Credit Union 9.186% 08-09-2033	157,000	157	177
Ford Credit Canada Co. 2.961% 09-16-2026	108,000	108	106
Ford Credit Canada Co. 4.792% 09-12-2029	141,000	141	142
Ford Credit Canada Co. 5.242% 05-23-2028	179,000	179	184
Ford Credit Canada Co. 5.581% 02-22-2027	138,000	138	142
Ford Credit Canada Co. 6.326% 11-10-2026	161,000	161	168
Ford Credit Canada Co. 6.777% 09-15-2025	370,000	370	377
Ford Credit Canada Co. 7.00% 02-10-2026	480,000	480	496
Ford Credit Canada Co. 7.375% 05-12-2026	257,000	257	268
Fortis Inc. 4.171% 09-09-2031	286,000	286	288
Fortis Inc. 4.431% 05-31-2029	373,000	373	383
Fortis Inc. 5.677% 11-08-2033	235,000	235	258
FortisBC Energy Inc. 4.67% 11-28-2052	58,000	58	59
G. Cooper Equipment Rentals Ltd. 7.45% 07-04-2029	386,000	386	396
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	172,000	172	178
General Motors Financial of Canada Ltd. 5.10% 07-14-2028	165,000	165	171
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	136,000	136	141
George Weston Ltd. 4.193% 09-05-2029	156,000	156	158
GFL Environmental Inc. 3.50% 09-01-2028 144A	475,000	566	644
GFL Environmental Inc. 6.75% 01-15-2031 144A	144,000	196	213
Gibson Energy Inc. 4.45% 11-12-2031	93,000	93	94
Gibson Energy Inc. 5.25% 12-22-2030	425,000	425	415
Gibson Energy Inc. 5.75% 07-12-2033	223,000	224	242
Gibson Energy Inc. 8.70% 07-12-2083	102,000	104	112

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Granite REIT Holdings LP 2.194% 08-30-2028	441,000	421	416
Granite REIT Holdings LP 3.062% 06-04-2027	1,197,000	1,234	1,180
Granite REIT Holdings LP 3.999% 10-04-2029	137,000	137	137
Greater Toronto Airports Authority 1.54% 05-03-2028	313,000	276	296
Greater Toronto Airports Authority 2.75% 10-17-2039	855,000	853	704
Greater Toronto Airports Authority 6.47% 02-02-2034	46,000	53	54
Greater Toronto Airports Authority 7.05% 06-12-2030	204,000	233	235
Greater Toronto Airports Authority 7.10% 06-04-2031	204,000	237	239
Hydro One Inc. 2.23% 09-17-2031	430,000	395	394
Hydro One Inc. 4.16% 01-27-2033	134,000	134	136
Hydro One Inc. 4.39% 03-01-2034	223,000	223	229
Hydro One Inc. 4.85% 11-30-2054	747,000	760	787
Hydro One Inc. 4.89% 03-13-2037	365,000	355	381
Hydro One Inc. 4.91% 01-27-2028	604,000	610	631
Hydro One Inc. 6.93% 06-01-2032	265,000	309	313
Hydro One Inc. 7.35% 06-03-2030	408,000	468	476
Hyundai Capital Canada Inc. 4.895% 01-31-2029	258,000	258	267
iA Financial Corp. Inc. 2.40% 02-21-2025	105,000	105	105
iA Financial Corp. Inc. 4.131% 12-05-2034	116,000	116	116
iA Financial Corp. Inc. 5.685% 06-20-2033	129,000	129	136
Intact Financial Corp. 4.125% 03-31-2081	60,000	60	59
Intact Financial Corp. 4.653% 05-16-2034	103,000	103	106
Intact Financial Corp. 5.276% 09-14-2054	224,000	241	247
Intact Financial Corp. 5.459% 09-22-2032 144A	152,000	201	219
Inter Pipeline Ltd. 3.484% 12-16-2026	332,000	334	331
Inter Pipeline Ltd. 3.983% 11-25-2031	180,000	180	173
Inter Pipeline Ltd. 5.71% 05-29-2030	151,000	151	160
Inter Pipeline Ltd. 6.625% 11-19-2079	38,000	37	39
Inter Pipeline Ltd. 6.875% 03-26-2079	142,000	142	146
John Deere Financial Inc. 5.17% 09-15-2028	73,000	72	77
Keyera Corp. 3.959% 05-29-2030	86,000	92	86
Keyera Corp. 5.95% 03-10-2081	1,118,000	1,123	1,132
Kruger Packaging Holdings LP 6.00% 06-01-2026	186,000	186	186
Kruger Products Inc. 5.375% 04-09-2029	40,000	40	39

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Loblaw Companies Ltd. 2.284% 05-07-2030	116,000	97	108
Loblaw Companies Ltd. 5.115% 03-04-2054	272,000	272	281
Loblaw Companies Ltd. 5.336% 09-13-2052	148,000	148	158
Lower Mattagami Energy LP 2.433% 05-14-2031	356,000	343	329
Lower Mattagami Energy LP 4.691% 06-07-2054	115,000	115	118
Lower Mattagami Energy LP 4.854% 10-31-2033	88,000	88	93
Manulife Bank of Canada 2.864% 02-16-2027	361,000	361	358
Manulife Financial Corp. 4.064% 12-06-2034	251,000	251	252
Manulife Financial Corp. 5.054% 02-23-2034	246,000	246	257
Manulife Financial Corp. 5.409% 03-10-2033	635,000	647	666
Manulife Financial Corp. 7.117% 06-19-2082	254,000	252	265
Mattamy Group Corp. 4.625% 03-01-2030 144A	20,000	22	27
MCAP Commercial LP 3.743% 08-25-2025	224,000	224	224
MEG Energy Corp. 5.875% 02-01-2029 144A	84,000	110	118
Metro Inc. 4.657% 02-07-2033	59,000	59	61
National Bank of Canada 1.573% 08-18-2026	234,000	213	231
National Bank of Canada 4.05% 08-15-2081	250,000	250	241
National Bank of Canada 4.30% 11-15-2025	528,000	528	527
National Bank of Canada 5.023% 02-01-2029	389,000	393	408
National Bank of Canada 5.219% 06-14-2028	380,000	379	400
National Bank of Canada 5.279% 02-15-2034	132,000	132	138
National Bank of Canada 5.426% 08-16-2032	460,000	460	478
North West Redwater Partnership 2.80% 06-01-2027	775,000	748	763
North West Redwater Partnership 3.20% 04-24-2026	402,000	419	401
North West Redwater Partnership 3.65% 06-01-2035	317,000	276	299
North West Redwater Partnership 3.70% 02-23-2043	90,000	84	79
North West Redwater Partnership 4.15% 06-01-2033	559,000	504	560
North West Redwater Partnership 4.25% 06-01-2029	150,000	150	154
North West Redwater Partnership/NWR Financing Co. Ltd. 2.80% 06-01-2031	916,000	857	861
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	152,000	152	159
OMERS Finance Trust 2.60% 05-14-2029	365,000	365	354
Ontario Teachers' Finance Trust 1.10% 10-19-2027	193,000	169	183
Ontario Teachers' Finance Trust 4.30% 06-02-2034	677,000	686	697
Ontario Teachers' Finance Trust 4.45% 06-02-2032	500,000	500	525

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Parkland Corp. of Canada 3.875% 06-16-2026	615,000	615	609
Parkland Corp. of Canada 4.375% 03-26-2029	1,853,000	1,845	1,794
Parkland Corp. of Canada 6.00% 06-23-2028	456,000	454	459
Pembina Pipeline Corp. 4.02% 03-27-2028	932,000	1,036	942
Pembina Pipeline Corp. 4.74% 01-21-2047	145,000	140	137
Pembina Pipeline Corp. 4.80% 01-25-2031	460,000	454	442
Pembina Pipeline Corp. 4.81% 03-25-2044	489,000	471	466
Pembina Pipeline Corp. 5.22% 06-28-2033	204,000	204	216
Pembina Pipeline Corp. 5.67% 01-12-2054	169,000	169	181
Prologis Inc. 4.70% 03-01-2029	237,000	237	245
Prologis LP 5.25% 01-15-2031	78,000	76	82
PSP Capital Inc. 2.60% 03-01-2032	829,000	764	781
PSP Capital Inc. 4.15% 06-01-2033	18,000	18	19
PSP Capital Inc. 4.25% 12-01-2055	911,000	904	917
Reliance LP 2.67% 08-01-2028	215,000	215	206
Reliance LP 2.68% 12-01-2027	305,000	305	296
Reliance LP 3.75% 03-15-2026	128,000	128	128
Reliance LP 5.25% 05-15-2031	273,000	275	285
RioCan REIT 2.361% 03-10-2027	205,000	205	200
RioCan REIT 2.829% 11-08-2028	322,000	293	308
Rogers Communications Inc. 2.90% 12-09-2030	492,000	425	461
Rogers Communications Inc. 3.10% 04-15-2025	1,080,000	1,033	1,079
Rogers Communications Inc. 3.75% 04-15-2029	412,000	410	410
Rogers Communications Inc. 5.00% 12-17-2081	3,591,000	3,423	3,598
Rogers Communications Inc. 5.25% 03-15-2082 144A	495,000	633	693
Rogers Communications Inc. 5.70% 09-21-2028	539,000	547	573
Rogers Communications Inc. 5.90% 09-21-2033	99,000	108	109
Rogers Communications Inc. 6.75% 11-09-2039	459,000	527	533
Royal Bank of Canada 2.328% 01-28-2027	305,000	275	298
Royal Bank of Canada 4.00% 10-17-2030	647,000	647	653
Royal Bank of Canada 4.464% 10-17-2035	216,000	216	220
Royal Bank of Canada 4.50% 11-24-2080	1,802,000	1,764	1,801
Royal Bank of Canada 4.612% 07-26-2027	207,000	205	213
Royal Bank of Canada 4.632% 05-01-2028	241,000	241	249

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Royal Bank of Canada 4.642% 01-17-2028	185,000	185	191
Royal Bank of Canada 5.096% 04-03-2034	277,000	277	288
Royal Bank of Canada Floating Rate 08-08-2034	488,000	488	502
Sagen MI Canada Inc. 3.261% 03-05-2031	168,000	167	153
Sagen MI Canada Inc. 4.95% 03-24-2081	136,000	136	126
Saputo Inc. 5.492% 11-20-2030	223,000	223	239
Sienna Senior Living Inc. 2.82% 03-31-2027	75,000	75	73
Sienna Senior Living Inc. 4.436% 10-17-2029	47,000	47	47
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	72,000	72	73
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	119,000	119	121
Stella-Jones Inc. 4.312% 10-01-2031	119,000	119	119
Sun Life Financial Inc. 2.06% 10-01-2035	521,000	521	471
Sun Life Financial Inc. 2.58% 05-10-2032	403,000	415	394
Sun Life Financial Inc. 2.80% 11-21-2033	331,000	331	320
Sun Life Financial Inc. 4.78% 08-10-2034	789,000	786	819
Sun Life Financial Inc. 5.12% 05-15-2036	302,000	302	319
Sun Life Financial Inc. 5.50% 07-04-2035	131,000	131	140
Suncor Energy Inc. 3.95% 03-04-2051	347,000	340	299
Superior Plus LP 4.25% 05-18-2028	830,000	823	788
Tamarack Valley Energy Ltd. 7.25% 05-10-2027	50,000	47	51
TELUS Corp. 2.85% 11-13-2031	247,000	206	227
TELUS Corp. 3.15% 02-19-2030	639,000	597	615
TELUS Corp. 3.30% 05-02-2029	344,000	343	337
TELUS Corp. 4.65% 08-13-2031	162,000	162	166
TELUS Corp. 4.80% 12-15-2028	67,000	67	69
TELUS Corp. 4.95% 02-18-2031	130,000	130	135
TELUS Corp. 4.95% 03-28-2033	121,000	121	125
Teranet Holdings LP 3.544% 06-11-2025	431,000	431	431
Teranet Holdings LP 3.719% 02-23-2029	478,000	478	465
The Bank of Nova Scotia 3.836% 09-26-2030	389,000	388	390
The Bank of Nova Scotia 3.934% 05-03-2032	230,000	230	231
The Bank of Nova Scotia 4.442% 11-15-2035	108,000	108	109
The Bank of Nova Scotia 4.68% 02-01-2029	178,000	178	185
The Bank of Nova Scotia 4.95% 08-01-2034	212,000	212	219

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
The Bank of Nova Scotia 5.50% 05-08-2026	82,000	83	84
The Bank of Nova Scotia 5.679% 08-02-2033	157,000	157	166
The Bank of Nova Scotia 7.023% 07-27-2082	651,000	647	679
The Empire Life Insurance Co. 3.625% 04-17-2026	108,000	108	98
The Empire Life Insurance Co. 5.503% 01-13-2033	129,000	129	135
The Independent Order of Foresters 2.885% 10-15-2035	259,000	259	234
The Toronto-Dominion Bank 2.26% 01-07-2027	297,000	288	290
The Toronto-Dominion Bank 3.06% 01-26-2032	820,000	813	810
The Toronto-Dominion Bank 3.105% 04-22-2030	500,000	479	499
The Toronto-Dominion Bank 4.002% 10-31-2030	267,000	267	269
The Toronto-Dominion Bank 4.21% 06-01-2027	954,000	937	969
The Toronto-Dominion Bank 4.423% 10-31-2035	335,000	335	338
The Toronto-Dominion Bank 4.477% 01-18-2028	429,000	426	440
The Toronto-Dominion Bank 4.68% 01-08-2029	82,000	82	85
The Toronto-Dominion Bank 5.376% 10-21-2027	459,000	463	481
The Toronto-Dominion Bank 5.423% 07-10-2026	244,000	244	251
The Toronto-Dominion Bank 5.491% 09-08-2028	370,000	370	393
The Toronto-Dominion Bank 7.283% 10-31-2082	114,000	115	120
TMX Group Ltd. 2.016% 02-12-2031	129,000	129	117
TMX Group Ltd. 4.678% 08-16-2029	102,000	102	107
Toronto Hydro Corp. 4.61% 06-14-2033	267,000	267	279
Toronto Hydro Corp. 4.95% 10-13-2052	226,000	233	242
Tourmaline Oil Corp. 2.529% 02-12-2029	117,000	117	112
Toyota Credit Canada Inc. 3.73% 10-02-2029	180,000	180	180
Toyota Credit Canada Inc. 4.44% 06-27-2029	134,000	134	138
TransCanada PipeLines Ltd. 3.80% 04-05-2027	205,000	231	206
TransCanada PipeLines Ltd. 4.33% 09-16-2047	127,000	106	115
TransCanada PipeLines Ltd. 5.277% 07-15-2030	700,000	715	743
TransCanada PipeLines Ltd. 5.33% 05-12-2032	254,000	269	272
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	3,623,000	3,436	3,599
TransCanada Trust 4.20% 03-04-2081	459,000	459	432
TransCanada Trust 5.30% 03-15-2077	37,000	44	51
Transcontinental Inc. 2.667% 02-03-2025	79,000	74	79
Vancouver Airport Authority 1.76% 09-20-2030	211,000	184	191

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Ventas Canada Finance Ltd. 5.10% 03-05-2029	210,000	210	219
Ventas Canada Finance Ltd. 5.398% 04-21-2028	270,000	270	283
Veren Inc. 4.968% 06-21-2029	182,000	182	188
Vermilion Energy Inc. 6.875% 05-01-2030 144A	31,000	40	44
Videotron Ltd. 3.125% 01-15-2031	737,000	713	693
Videotron Ltd. 3.625% 06-15-2028	965,000	920	959
Videotron Ltd. 4.50% 01-15-2030	945,000	945	957
Videotron Ltd. 4.65% 07-15-2029	209,000	209	214
VW Credit Canada Inc. 4.21% 08-19-2027	160,000	161	161
VW Credit Canada Inc. 4.42% 08-20-2029	320,000	323	323
VW Credit Canada Inc. 5.73% 09-20-2028	120,000	128	127
Waste Management of Canada Corp. 2.60% 09-23-2026	78,000	78	77
Whitecap Resources Inc. 4.382% 11-01-2029	137,000	137	138
WSP Global Inc. 2.408% 04-19-2028	197,000	199	190
WSP Global Inc. 4.12% 09-12-2029	136,000	136	137
Total Corporate - Non-convertible		124,960	127,494
Corporate - Convertible			
The Cannabist Company Holdings Inc. 6.00% 06-29-2025 Conv.	25,000	31	26
Total Corporate - Convertible		31	26
Total Canadian Bonds		218,095	219,823
United States Bonds			
Federal Government			
United States Treasury Inflation Index 0.125% 04-15-2025 Real Return	4,299,000	6,942	7,511
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	4,886,000	6,888	6,695
Total Federal Government		13,830	14,206

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible			
Algonquin Power & Utilities Corp. 4.75% 01-18-2082	350,000	439	472
AT&T Inc. 4.85% 05-25-2047	428,000	382	412
Athene Global Funding 2.47% 06-09-2028	93,000	84	89
Athene Global Funding 5.113% 03-07-2029	170,000	170	177
Bank of America Corp. 1.978% 09-15-2027	307,000	302	299
Bank of America Corp. 3.615% 03-16-2028	1,552,000	1,474	1,552
Broadcom Inc. 4.11% 09-15-2028	273,000	348	384
DIRECTV Holdings LLC/DIRECTV Financing Co. 5.875% 08-15-2027 144A	41,000	52	57
Glencore Funding LLC 5.338% 04-04-2027 144A	86,000	117	125
Glencore Funding LLC 5.70% 05-08-2033 144A	174,000	240	253
Go Daddy Operating Co. LLC/GD Finance Co. Inc. 3.50% 03-01-2029 144A	5,000	6	7
JPMorgan Chase & Co. 1.896% 03-05-2028	564,000	564	545
LGI Homes Inc. 8.75% 12-15-2028 144A	10,000	14	15
Nestle Holdings Inc. 2.192% 01-26-2029	242,000	242	231
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	143,000	172	186
NextEra Energy Capital Holdings Inc. 4.85% 04-30-2031	601,000	603	627
Tenet Healthcare Corp. 4.375% 01-15-2030	35,000	47	47
The Goldman Sachs Group Inc. 2.013% 02-28-2028	169,000	169	161
The Goldman Sachs Group Inc. 2.599% 11-30-2027	455,000	455	447
The Walt Disney Co. 3.057% 03-30-2027	1,122,000	1,188	1,113
T-Mobile USA Inc. 3.75% 04-15-2027	204,000	254	287
T-Mobile USA Inc. 5.15% 04-15-2034	56,000	75	79
T-Mobile USA Inc. 5.20% 01-15-2033	317,000	414	452
Univision Communications Inc. 4.50% 05-01-2029 144A	50,000	61	64
Verizon Communications Inc. 2.375% 03-22-2028	912,000	859	880
Wells Fargo & Co. 2.568% 05-01-2025	501,000	468	499
Wells Fargo & Co. 2.975% 05-19-2026	140,000	151	139
Zoetis Inc. 2.00% 05-15-2030	286,000	314	354
Total Corporate - Non-convertible		9,664	9,953
Total United States Bonds		23,494	24,159

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds			
Australia			
Transurban Finance Co. Pty Ltd. 4.555% 11-14-2028	106,000	116	107
British Virgin Islands			
Sino-Ocean Land Treasure IV Ltd. 4.75% 08-05-2029	300,000	156	36
Cayman Islands			
CIFI Holdings Group Co. Ltd. 6.00% 07-16-2025	200,000	64	37
Country Garden Holdings Co. Ltd. 2.70% 07-12-2026	300,000	257	44
Kaisa Group Holdings Ltd. 10.50% 09-07-2022 ⁽¹⁾	600,000	368	53
Kaisa Group Holdings Ltd. 8.65% 07-22-2022 ⁽¹⁾	200,000	91	17
Logan Group Co. Ltd. 4.70% 07-06-2026	204,000	166	28
Sunac China Holdings Ltd. 1.00% 09-30-2032	45,508	14	7
Chile			
AES Andes SA 6.30% 03-15-2029	200,000	270	290
France			
Electricite de France SA 5.379% 05-17-2034	464,000	464	486
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	165,000	165	161
Heathrow Funding Ltd. 3.40% 03-08-2028	363,000	363	360
Heathrow Funding Ltd. 3.726% 04-13-2033	357,000	354	340
Heathrow Funding Ltd. 3.782% 09-04-2030	237,000	231	234
Liberia			
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	131,000	181	188
Mexico			
Becle SAB de CV 2.50% 10-14-2031	249,000	312	287
Netherlands			
NXP BV/NXP Funding LLC/NXP USA Inc. 2.65% 02-15-2032	84,000	107	102

⁽¹⁾ This security was past due as at December 31, 2024. The term-to-maturity for this security is disclosed as 1 year or less in the Interest Rate Risk note within the Notes to the Schedule of Investment Portfolio.

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Supra-National			
International Bank for Reconstruction and Development 0.00% 03-31-2027	280,000	334	364
United Kingdom			
Anglian Water Services Financing PLC 4.525% 08-26-2032	113,000	113	111
BP Capital Markets PLC 3.47% 05-15-2025	112,000	109	112
Total Global Bonds		4,235	3,364
Total Bonds		245,824	247,346
Canadian Common Stock			
Exchange Traded Funds			
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	84,711	1,119	945
Mackenzie Canadian Aggregate Bond Index ETF *	74,000	6,750	6,949
Total Canadian Common Stock		7,869	7,894
Canadian Preferred Stock			
Communication Services			
BCE Inc. 2.75% Preferred	697	11	11
BCE Inc. 3.61% Preferred	4,303	67	72
BCE Inc. 4.13% Preferred	223	4	3
Consumer Staples			
Loblaw Companies Ltd. 5.30% Preferred	831	22	21
Energy			
TransAlta Corp. 4.027% Preferred	660	12	14
Financials			
Brookfield Corp. 4.80% Preferred Conv.	2,187	56	54

*The issuer of this security is a related company to the issuer of the Fund.

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Preferred Stock (continued)			
Utilities			
Emera Inc. 4.25% Preferred	207	5	5
Emera Inc. 4.60% Preferred	1,970	49	37
TransAlta Corp. 2.709% Preferred	2,091	26	32
Total Canadian Preferred Stock		252	249
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	1,772	44	42
Total Global Preferred Stock		44	42
Total Stocks		8,165	8,185

Fixed Income Fund (Laketon) SF019

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7228	January 14, 2025	United States Dollar	1,113	Canadian Dollar	1,071	42
0.7267	January 17, 2025	United States Dollar	438	Canadian Dollar	420	18
0.7180	February 14, 2025	United States Dollar	848	Canadian Dollar	822	26
Derivatives - Assets						86
1.3506	January 10, 2025	Canadian Dollar	85	United States Dollar	89	(4)
1.3870	January 10, 2025	Canadian Dollar	1,683	United States Dollar	1,726	(43)
1.3656	January 10, 2025	Canadian Dollar	1,609	United States Dollar	1,667	(58)
1.3640	January 24, 2025	Canadian Dollar	1,556	United States Dollar	1,614	(58)
1.3854	February 7, 2025	Canadian Dollar	4,086	United States Dollar	4,190	(104)
1.3859	February 7, 2025	Canadian Dollar	4,732	United States Dollar	4,852	(120)
1.3820	February 14, 2025	Canadian Dollar	663	United States Dollar	680	(17)
1.3801	February 14, 2025	Canadian Dollar	3,707	United States Dollar	3,810	(103)
1.4126	February 21, 2025	Canadian Dollar	2,607	United States Dollar	2,636	(29)
1.3923	February 21, 2025	Canadian Dollar	1,810	United States Dollar	1,849	(39)
1.4025	February 28, 2025	Canadian Dollar	2,030	United States Dollar	2,063	(33)
1.3919	February 28, 2025	Canadian Dollar	2,069	United States Dollar	2,113	(44)
1.4269	April 9, 2025	Canadian Dollar	2,966	United States Dollar	2,974	(8)
Derivatives - Liabilities						(660)
Total Forward Currency Contracts						(574)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(24)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 2,854	CAD 118.91	15
Derivatives - Assets						15
Total Futures Contracts						15

Total Derivative Instruments at Fair Value

(559)

Total Investments

253,989

254,972

Fixed Income Fund (Laketon) SF019

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Fixed Income Fund (Laketon) SF019 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Fixed Income Fund (Laketon) SF019

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 2,019	\$ (12)	\$ 2,007	\$	20
Other Currencies	—	1	1		—
Total	\$ 2,019	\$ (11)	\$ 2,008	\$	20
As Percent of Net Assets Attributable to Contractholders				0.8%	—%

*Includes both monetary and non-monetary instruments

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ (1,572)	\$ 981	\$ (591)	\$	(6)
Other Currencies	—	(35)	(35)		—
Total	\$ (1,572)	\$ 946	\$ (626)	\$	(6)
As Percent of Net Assets Attributable to Contractholders				(0.2%)	—%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 16,473	\$ 57,247	\$ 90,977	\$ 82,649	\$ 247,346

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 12,750	\$ 66,714	\$ 95,529	\$ 63,766	\$ 238,759

Fixed Income Fund (Laketon) SF019

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$17,904 (\$16,290 at December 31, 2023) or approximately 6.8% (6.4% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	3.3	3.1	3.0	2.8
AA	42.2	39.7	29.0	27.0
A	18.5	17.5	33.8	31.5
BBB	25.2	23.7	26.1	24.3
BB and lower	10.6	10.0	7.8	7.3
NR *	0.2	0.2	0.3	0.2
Total	100.0	94.2	100.0	93.1

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

Fixed Income Fund (Laketon) SF019

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$82 (\$81 at December 31, 2023) or approximately 0.0% (0.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 247,293	\$ 53	\$ 247,346
Stocks	8,185	—	—	8,185
Derivatives	15	86	—	101
Total assets measured at fair value	\$ 8,200	\$ 247,379	\$ 53	\$ 255,632
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 660	\$ —	\$ 660
Net assets attributable to contractholders measured at fair value	\$ 8,200	\$ 246,719	\$ 53	\$ 254,972

⁽¹⁾ Excludes collateral pledged to counterparties of \$632.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 238,681	\$ 78	\$ 238,759
Stocks	8,096	—	—	8,096
Derivatives	66	728	—	794
Total assets measured at fair value	\$ 8,162	\$ 239,409	\$ 78	\$ 247,649
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ 18	\$ 234	\$ —	\$ 252
Net assets attributable to contractholders measured at fair value	\$ 8,144	\$ 239,175	\$ 78	\$ 247,397

⁽¹⁾ Excludes collateral pledged to counterparties of \$793.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Fixed Income Fund (Laketon) SF019

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification (continued)

The following table presents additional information about assets measured at fair value on a recurring basis and for which the Fund has utilized Level 3 inputs to determine fair value:

	2024	2023
	Bonds	Bonds
Balance, beginning of year	\$ 78	\$ 85
Total gain (loss) included in net assets from operations attributable to contractholders	3	(7)
Purchases	—	—
Sales	(28)	—
Settlements	—	—
Transfers into Level 3	—	—
Transfers out of Level 3	—	—
Balance, end of year	\$ 53	\$ 78
Total gain (loss) included in net gain (loss) on investments for Level 3 assets held at the end of year	\$ 3	\$ (7)

Fixed Income Fund (Laketon) SF019

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	20,476	26,636	31,697	36,798	44,770	3,531	4,452	5,082	6,812	8,689
Generations/Mosaic	716,082	792,497	912,192	1,091,352	1,266,721	12,306	13,200	14,576	20,133	24,501
Generations I	160,946	206,991	276,131	407,502	487,372	2,169	2,691	3,429	5,818	7,268
Generations II	35,953	42,355	50,267	67,046	83,239	456	519	589	904	1,173
Generations Core	67,409	92,501	123,142	159,672	184,035	873	1,155	1,467	2,185	2,629
75/75 guarantee policy	114,534	156,283	215,699	264,166	314,332	1,367	1,798	2,367	3,331	4,137
75/100 guarantee policy	554,184	632,578	767,297	876,954	1,063,871	6,556	7,221	8,366	10,992	13,928
100/100 guarantee policy	43,812	58,409	70,106	80,778	85,564	513	661	759	1,006	1,114
PS1 75/75 guarantee policy	98,666	95,660	119,119	131,480	152,577	1,152	1,071	1,265	1,594	1,917
PS1 75/100 guarantee policy	461,189	521,662	628,311	699,416	930,213	5,351	5,804	6,635	8,436	11,640
PS1 100/100 guarantee policy	19,208	27,599	57,217	77,188	122,203	219	302	596	919	1,511
PS2 75/75 guarantee policy	333,459	339,598	346,345	353,719	438,500	4,636	4,462	4,258	4,897	6,208
PS2 75/100 guarantee policy	243,422	288,903	311,235	392,354	489,303	3,384	3,796	3,827	5,432	6,928
PS2 100/100 guarantee policy	62,498	63,765	65,039	72,885	87,172	867	836	798	1,007	1,232
PS 75/75 guarantee policy	—	64	64	—	158	—	1	1	—	2
PS 75/100 guarantee policy	2,391	6,491	6,169	6,767	10,542	25	65	59	74	119
PPS 75/100 guarantee policy	4,352	6,662	6,702	16,904	43,164	47	69	66	188	496

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	172.43	167.13	160.41	185.19	194.17	5.30	6.72
Generations/Mosaic	17.18	16.66	15.98	18.45	19.34	0.52	0.68
Generations I	13.47	13.00	12.42	14.28	14.91	0.47	0.58
Generations II	12.68	12.25	11.72	13.48	14.09	0.43	0.53
Generations Core	12.96	12.49	11.92	13.69	14.29	0.47	0.57
75/75 guarantee policy	11.94	11.50	10.98	12.61	13.16	0.44	0.52
75/100 guarantee policy	11.83	11.42	10.90	12.53	13.09	0.41	0.52
100/100 guarantee policy	11.72	11.32	10.82	12.45	13.02	0.40	0.50
PS1 75/75 guarantee policy	11.68	11.19	10.62	12.12	12.57	0.49	0.57
PS1 75/100 guarantee policy	11.60	11.13	10.56	12.06	12.51	0.47	0.57
PS1 100/100 guarantee policy	11.42	10.96	10.41	11.91	12.37	0.46	0.55
PS2 75/75 guarantee policy	13.90	13.14	12.30	13.84	14.16	0.76	0.84
PS2 75/100 guarantee policy	13.90	13.14	12.30	13.84	14.16	0.76	0.84
PS2 75/100 guarantee policy	13.88	13.12	12.27	13.82	14.13	0.76	0.85
PS 75/75 guarantee policy	—	10.05	9.54	—	11.32	—	0.51
PS 75/100 guarantee policy	10.44	10.02	9.51	10.88	11.30	0.42	0.51
PPS 75/100 guarantee policy	10.89	10.39	9.81	11.14	11.49	0.50	0.58

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Fixed Income Fund (Laketon) SF019

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Fixed Income Fund (Laketon) SF019

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.52	2.49	2.50	2.50	2.50
Generations/Mosaic	2.52	2.49	2.50	2.50	2.50
Generations I	2.07	2.05	2.09	2.11	2.11
Generations II	2.18	2.16	2.17	2.17	2.17
Generations Core	1.96	1.94	2.00	2.06	2.06
75/75 guarantee policy	1.96	1.94	2.00	2.06	2.06
75/100 guarantee policy	2.07	2.05	2.08	2.11	2.11
100/100 guarantee policy	2.18	2.16	2.17	2.17	2.17
PS1 75/75 guarantee policy	1.39	1.38	1.38	1.38	1.38
PS1 75/100 guarantee policy	1.44	1.43	1.43	1.43	1.43
PS1 100/100 guarantee policy	1.56	1.54	1.55	1.55	1.54
PS 75/75 guarantee policy	—	1.40	1.44	—	1.50
PS 75/100 guarantee policy	1.52	1.50	1.53	1.57	1.56
PPS 75/100 guarantee policy	0.89	0.88	0.90	0.88	0.88

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	72.13	72.20	96.75	91.49	79.49

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MONEY MARKET FUND (LAKETON) SF029

December 31, 2024

Independent Auditor's Report

To the Contractholders of Money Market Fund (Laketon) SF029 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Money Market Fund (Laketon) SF029

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash	\$ 62,092	\$ 53,533
Investment income due and accrued	1,529	1,329
Due from The Canada Life Assurance Company (note 7)	1,273	694
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	693,783	648,467
Stocks	—	—
Investment fund units	—	—
Total investments	693,783	648,467
Total assets	\$ 758,677	\$ 704,023
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 758,677	\$ 704,023

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 36,409	\$ 29,658
Miscellaneous income (loss)	17	7
Total income (loss)	36,426	29,665
Expenses		
Management fees (note 7)	7,291	5,886
Transaction costs	—	—
Withholding taxes	—	—
Other	791	637
Total expenses	8,082	6,523
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 28,344	\$ 23,142

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 704,023	\$ 537,838
Contractholder deposits	328,306	449,491
Contractholder withdrawals	(301,996)	(306,448)
Increase (decrease) in net assets from operations attributable to contractholders	28,344	23,142
Change in net assets attributable to contractholders	54,654	166,185
Net assets attributable to contractholders - end of year	\$ 758,677	\$ 704,023

Money Market Fund (Laketon) SF029

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 28,344	\$ 23,142
Adjustments		
Add back amortization of premium (discount)	(16,830)	(19,301)
Realized (gains) losses	(387)	(6)
Unrealized (gains) losses	—	—
Gross proceeds of disposition of investments	3,686,284	4,419,528
Gross payments for the purchase of investments	(3,714,383)	(4,565,447)
Change in investment income due and accrued	(200)	(838)
Change in due from/to The Canada Life Assurance Company	(579)	(925)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	(17,751)	(143,847)
Financing Activities		
Contractholder deposits	328,306	449,491
Contractholder withdrawals	(301,996)	(306,448)
	26,310	143,043
Net increase (decrease) in cash and overdrafts	8,559	(804)
Cash and overdrafts, beginning of year	53,533	54,337
Cash and overdrafts, end of year	\$ 62,092	\$ 53,533
Supplementary cash flow information		
Interest income received	\$ 13,470	\$ 9,477

Money Market Fund (Laketon) SF029

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Municipal Governments			
City of Toronto 2.45% 02-06-2025	6,700,000	6,677	6,691
Total Municipal Governments		6,677	6,691
Corporate - Non-convertible			
407 International Inc. 1.80% 05-22-2025	15,310,000	14,904	15,143
Athene Global Funding 3.127% 03-10-2025	13,788,000	13,581	13,740
Bank of Montreal 4.61% 09-10-2025	7,000,000	7,064	7,051
Bank of Montreal Floating Rate 07-30-2025	10,000,000	10,000	10,000
BCI QuadReal Realty 1.68% 03-03-2025	12,941,000	12,708	12,883
BCIMC Realty Corp. 2.84% 06-03-2025	3,910,000	3,873	3,891
Canadian Imperial Bank of Commerce Floating Rate 02-03-2025	41,200,000	41,238	41,213
Canadian Imperial Bank of Commerce Floating Rate 03-27-2025	5,000,000	5,000	5,000
HSBC Bank Canada 3.403% 03-24-2025	4,000,000	3,940	3,986
John Deere Financial Inc. 2.31% 06-20-2025	460,000	458	458
John Deere Financial Inc. 2.41% 01-14-2025	18,270,000	18,148	18,259
National Bank of Canada Floating Rate 01-24-2025	24,000,000	24,000	24,000
National Bank of Canada Floating Rate 10-20-2025	20,000,000	20,000	20,000
Royal Bank of Canada 1.936% 05-01-2025	5,000,000	4,958	4,972
Royal Bank of Canada 3.369% 09-29-2025	37,160,000	37,042	37,062
Royal Bank of Canada Floating Rate 03-21-2025	12,000,000	12,000	12,000
South Coast British Columbia Transportation Authority 3.05% 06-04-2025	3,870,000	3,853	3,859
The Bank of Nova Scotia Floating Rate 03-24-2025	9,000,000	9,000	9,000
The Bank of Nova Scotia Floating Rate 06-27-2025	12,000,000	12,001	12,001
Toyota Credit Canada Inc. 2.11% 02-26-2025	14,990,000	14,856	14,946
Toyota Credit Canada Inc. 2.73% 08-25-2025	2,820,000	2,784	2,796
Vancouver Airport Fuel Facilities Corp. 2.168% 06-23-2025	22,280,000	21,818	22,039
Total Corporate - Non-convertible		293,226	294,299
Total Canadian Bonds		299,903	300,990

Money Market Fund (Laketon) SF029

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds			
Corporate - Non-convertible			
Athene Global Funding 2.10% 09-24-2025	8,811,000	8,668	8,701
Total Corporate - Non-convertible		8,668	8,701
Total United States Bonds		8,668	8,701
Short Term Notes			
Alectra Inc. 3.298% 01-09-2025	12,000,000	11,970	11,991
AltaLink LP 3.285% 01-29-2025	4,920,000	4,907	4,908
AltaLink LP 3.298% 01-29-2025	1,780,000	1,775	1,775
AltaLink LP 3.626% 01-29-2025	1,300,000	1,292	1,296
BNP Paribas 3.179% 06-27-2025	5,200,000	5,118	5,120
BNP Paribas 3.536% 04-22-2025	3,200,000	3,143	3,166
BNP Paribas 3.59% 02-12-2025	4,898,000	4,857	4,878
BNP Paribas 3.696% 03-03-2025	9,500,000	9,386	9,441
Central 1 Credit Union 3.151% 06-23-2025	990,000	974	975
Central 1 Credit Union 3.44% 03-04-2025	7,000,000	6,939	6,959
Central 1 Credit Union 3.567% 02-05-2025	3,300,000	3,270	3,289
Central 1 Credit Union 3.71% 03-20-2025	3,855,000	3,784	3,824
City of Calgary 3.598% 02-26-2025	3,000,000	2,973	2,983
City of Calgary 4.102% 01-06-2025	1,200,000	1,186	1,199
City of Ottawa 3.246% 01-08-2025	1,580,000	1,576	1,579
City of Ottawa 3.259% 01-08-2025	3,600,000	3,591	3,598
City of Ottawa 3.513% 01-29-2025	2,670,000	2,656	2,663
City of Ottawa 3.559% 01-22-2025	1,000,000	995	998
City of Ottawa 3.578% 01-22-2025	4,000,000	3,978	3,992
Credit Unions of Alberta 3.706% 02-21-2025	1,640,000	1,625	1,632
Daimler Truck FI Canada 3.614% 01-08-2025	6,700,000	6,680	6,695
Enbridge Pipelines Inc. 3.36% 01-02-2025	7,930,000	7,929	7,929
First Nations Finance Authority 3.258% 01-23-2025	2,300,000	2,294	2,295
First Nations Finance Authority 3.272% 01-09-2025	2,500,000	2,494	2,498
FortisBC Energy Inc. 3.206% 03-25-2025	1,000,000	992	993
FortisBC Energy Inc. 3.214% 03-11-2025	1,070,000	1,062	1,063
FortisBC Energy Inc. 3.273% 02-14-2025	480,000	477	478

Money Market Fund (Laketon) SF029

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Short Term Notes (continued)			
FortisBC Energy Inc. 3.285% 01-16-2025	2,670,000	2,662	2,666
FortisBC Energy Inc. 3.306% 01-14-2025	1,590,000	1,585	1,588
FortisBC Energy Inc. 3.352% 03-12-2025	1,600,000	1,586	1,590
FortisBC Energy Inc. 3.494% 03-19-2025	3,930,000	3,889	3,901
FortisBC Energy Inc. 3.52% 03-24-2025	1,600,000	1,582	1,587
FortisBC Energy Inc. 3.529% 03-24-2025	1,200,000	1,186	1,190
FortisBC Energy Inc. 3.668% 01-15-2025	2,000,000	1,988	1,997
FortisBC Energy Inc. 3.679% 01-15-2025	1,120,000	1,113	1,118
FortisBC Energy Inc. 3.719% 01-03-2025	1,590,000	1,584	1,590
FortisBC Energy Inc. 3.758% 01-06-2025	1,400,000	1,391	1,399
Greater Toronto Airports Authority 3.615% 01-30-2025	5,000,000	4,969	4,986
Industrial & Commercial Bank of China Canada 3.218% 06-10-2025	9,000,000	8,857	8,873
Industrial & Commercial Bank of China Canada 3.498% 04-28-2025	13,000,000	12,773	12,854
Lower Mattagami Energy LP 3.244% 03-12-2025	2,410,000	2,391	2,395
Lower Mattagami Energy LP 3.686% 02-12-2025	5,580,000	5,529	5,556
Manulife Bank of Canada 3.195% 12-15-2025	7,500,000	7,261	7,272
Manulife Bank of Canada 3.486% 04-23-2025	2,400,000	2,357	2,374
Manulife Bank of Canada 3.506% 04-17-2025	2,200,000	2,161	2,178
Manulife Bank of Canada 3.883% 03-10-2025	7,730,000	7,580	7,674
Manulife Bank of Canada 4.086% 02-03-2025	300,000	294	299
Mizuho Financial Group Inc. 3.35% 02-20-2025	4,347,000	4,322	4,327
Mizuho Financial Group Inc. 3.445% 01-14-2025	941,000	938	940
Mizuho Financial Group Inc. 3.674% 01-28-2025	13,900,000	13,771	13,862
MUFG Bank Ltd. 3.391% 05-05-2025	3,505,000	3,446	3,465
MUFG Bank Ltd. 3.48% 04-23-2025	16,585,000	16,345	16,408
MUFG Bank Ltd. 3.578% 02-25-2025	2,700,000	2,676	2,685
Municipal Finance Authority of British Columbia 3.459% 02-26-2025	2,380,000	2,360	2,367
Municipal Finance Authority of British Columbia 3.472% 02-26-2025	1,590,000	1,576	1,582
North West Redwater Partnership 3.384% 01-24-2025	4,723,000	4,707	4,713
North West Redwater Partnership 3.389% 01-23-2025	558,000	556	557
North West Redwater Partnership 3.502% 01-21-2025	5,433,000	5,411	5,423
North West Redwater Partnership 3.667% 01-16-2025	2,880,000	2,868	2,876
North West Redwater Partnership 3.719% 01-08-2025	329,000	328	329
North West Redwater Partnership 3.735% 01-07-2025	2,138,000	2,129	2,137
North West Redwater Partnership 3.735% 01-09-2025	6,438,000	6,410	6,433

Money Market Fund (Laketon) SF029

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Short Term Notes (continued)			
PACCAR Financial Corp. 3.271% 01-16-2025	2,420,000	2,414	2,417
Province of Alberta 3.17% 04-02-2025	11,000,000	10,900	10,913
Province of Alberta 3.757% 03-04-2025	1,530,000	1,505	1,520
Province of Alberta 3.915% 01-07-2025	2,000,000	1,982	1,999
Province of British Columbia 3.598% 04-10-2025	5,300,000	5,209	5,248
Province of British Columbia 3.902% 01-17-2025	3,000,000	2,963	2,995
Province of British Columbia 4.653% 01-24-2025	6,210,000	6,021	6,192
Province of Newfoundland and Labrador 3.185% 03-20-2025	8,000,000	7,936	7,946
Province of Newfoundland and Labrador 3.19% 03-03-2025	6,000,000	5,960	5,968
Province of Newfoundland and Labrador 3.193% 03-20-2025	1,270,000	1,260	1,261
Province of Newfoundland and Labrador 3.204% 03-06-2025	950,000	943	945
Province of Newfoundland and Labrador 3.217% 03-06-2025	2,280,000	2,263	2,267
Province of Newfoundland and Labrador 3.238% 01-13-2025	3,980,000	3,969	3,976
Province of Newfoundland and Labrador 3.251% 02-13-2025	700,000	696	697
Province of Newfoundland and Labrador 3.313% 01-02-2025	6,500,000	6,492	6,499
Province of Newfoundland and Labrador 3.341% 01-02-2025	8,000,000	7,990	7,999
Province of Newfoundland and Labrador 3.55% 02-13-2025	2,500,000	2,478	2,490
Province of Newfoundland and Labrador 3.904% 01-07-2025	1,000,000	990	999
Province of Newfoundland and Labrador 3.913% 01-09-2025	500,000	495	500
Province of Nova Scotia 3.528% 02-13-2025	2,000,000	1,983	1,992
Province of Ontario 3.69% 03-26-2025	10,600,000	10,405	10,510
Province of Ontario 3.902% 03-05-2025	3,190,000	3,128	3,169
Province of Ontario 4.005% 01-29-2025	3,250,000	3,197	3,240
Province of Ontario 4.022% 01-29-2025	1,470,000	1,446	1,465
Province of Prince Edward Island 3.184% 03-18-2025	6,500,000	6,449	6,457
Province of Prince Edward Island 3.538% 02-11-2025	2,760,000	2,736	2,749
Province of Quebec 3.202% 05-23-2025	3,160,000	3,113	3,121
Societe de Transport de Montreal 3.248% 01-20-2025	8,000,000	7,972	7,986
Sumitomo Mitsui Financial Group Inc. 3.837% 03-19-2025	10,200,000	10,007	10,117
Sumitomo Mitsui Trust Bank Ltd. 3.171% 06-20-2025	305,000	300	300
Sumitomo Mitsui Trust Bank Ltd. 3.686% 02-03-2025	12,235,000	12,123	12,194
The Toronto-Dominion Bank 3.307% 10-20-2025	4,680,000	4,526	4,556

Money Market Fund (Laketon) SF029

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Short Term Notes (continued)			
Toronto Hydro Corp. 3.285% 01-08-2025	4,000,000	3,997	3,997
Total Short Term Notes		382,352	384,092
Total Bonds		690,923	693,783
Total Investments		690,923	693,783

Money Market Fund (Laketon) SF029

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Money Market Fund (Laketon) SF029 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less ⁽¹⁾	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 693,783	\$ —	\$ —	\$ —	\$ 693,783
2023					
	1 year or less ⁽¹⁾	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 628,473	\$ 19,994	\$ —	\$ —	\$ 648,467

⁽¹⁾ For presentation purposes, short-term notes are included in Bonds on the Statement of Financial Position.

Money Market Fund (Laketon) SF029

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Interest Rate Risk (continued)

As at December 31, 2024 and 2023, a 1% increase or 1% decrease in the prevailing interest rates, with all other variables held constant, would have no impact on the total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

D. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 693,783	\$ —	\$ 693,783
Total assets measured at fair value	\$ —	\$ 693,783	\$ —	\$ 693,783

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 648,467	\$ —	\$ 648,467
Total assets measured at fair value	\$ —	\$ 648,467	\$ —	\$ 648,467

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Money Market Fund (Laketon) SF029

(in Canadian \$, except number of units outstanding)

The following table shows selected key financial information about the Fund and is intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Emperor	—	—	47	47	47	—	—	4	4	4
Flex	55,638	60,751	71,135	66,581	79,170	5,143	5,434	6,151	5,701	6,770
Generations/Mosaic	875,586	1,055,009	1,230,283	1,422,769	1,813,655	12,060	14,061	15,852	18,155	23,113
Generations I	334,680	358,604	420,781	472,308	723,231	3,942	4,079	4,616	5,126	7,839
Generations II	119,473	132,983	135,480	181,481	272,829	1,346	1,447	1,422	1,885	2,831
Generations Core	124,009	142,295	214,917	301,532	326,587	1,400	1,551	2,259	3,135	3,392
Prestige/Prestige Plus	—	—	1,621	81	90	—	—	139	7	8
75/75 guarantee policy	10,329,495	10,886,848	7,881,340	4,964,130	5,484,265	114,375	116,311	81,202	50,597	55,826
75/100 guarantee policy	18,069,070	18,381,639	14,444,468	8,975,136	9,781,376	199,991	196,302	148,762	91,442	99,527
100/100 guarantee policy	1,120,497	1,026,766	921,423	705,992	961,229	12,376	10,946	9,476	7,184	9,769
PS1 75/75 guarantee policy	9,666,366	8,656,905	5,371,039	3,038,471	2,427,565	108,709	93,666	55,862	31,202	24,896
PS1 75/100 guarantee policy	17,810,626	15,736,887	12,527,349	7,499,375	7,356,986	199,504	169,688	129,919	76,817	75,260
PS1 100/100 guarantee policy	1,083,030	788,592	1,094,170	860,287	635,242	12,054	8,452	11,285	8,766	6,465
PS2 75/75 guarantee policy	1,636,958	1,558,703	977,248	762,166	556,767	20,479	18,567	11,078	8,448	6,125
PS2 75/100 guarantee policy	1,103,109	1,767,334	1,547,555	863,613	633,141	13,814	21,070	17,556	9,578	6,965
PS2 100/100 guarantee policy	764,903	133,972	193,811	295,531	369,980	9,542	1,591	2,190	3,263	4,050
PS 75/75 guarantee policy	242,415	296,009	340,577	127,638	168,030	2,717	3,189	3,527	1,303	1,711
PS 75/100 guarantee policy	550,988	661,943	830,466	392,629	402,146	6,176	7,131	8,600	4,008	4,095
PS 100/100 guarantee policy	28	107	414	—	—	—	1	4	—	—
PPS 75/75 guarantee policy	866,727	679,889	387,384	337,075	397,243	9,807	7,378	4,030	3,451	4,056
PPS 75/100 guarantee policy	669,743	693,063	787,068	604,166	665,795	7,565	7,511	8,179	6,181	6,794
PPS 100/100 guarantee policy	14,725	40,513	2	17,216	53,762	176	464	—	176	548
75/75 Constellation	10,844	6,284	6,343	11,753	13,628	120	67	65	118	137
75/100 Constellation	12,427	20,541	3,889	3,265	29,926	137	218	40	33	301
100/100 Constellation	—	—	—	5,417	4,306	—	—	—	55	43

Money Market Fund (Laketon) SF029

(in Canadian \$, except number of units outstanding)

The following table shows selected key financial information about the Fund and is intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Emperor	—	—	87.85	87.18	87.06	—	—
Flex	92.43	89.44	86.47	85.63	85.52	2.99	2.97
Generations/Mosaic	13.77	13.33	12.89	12.76	12.74	0.44	0.44
Generations I	11.78	11.37	10.97	10.85	10.84	0.41	0.40
Generations II	11.26	10.88	10.50	10.39	10.38	0.38	0.38
Generations Core	11.29	10.90	10.51	10.40	10.39	0.39	0.39
Prestige/Prestige Plus	—	—	85.49	84.93	84.81	—	—
75/75 guarantee policy	11.07	10.68	10.30	10.19	10.18	0.39	0.38
75/100 guarantee policy	11.07	10.68	10.30	10.19	10.18	0.39	0.38
100/100 guarantee policy	11.05	10.66	10.28	10.18	10.16	0.39	0.38
PS1 75/75 guarantee policy	11.25	10.82	10.40	10.27	10.26	0.43	0.42
PS1 75/100 guarantee policy	11.20	10.78	10.37	10.24	10.23	0.42	0.41
PS1 100/100 guarantee policy	11.13	10.72	10.31	10.19	10.18	0.41	0.41
PS2 75/75 guarantee policy	12.51	11.91	11.34	11.08	11.00	0.60	0.57
PS2 75/100 guarantee policy	12.52	11.92	11.34	11.09	11.00	0.60	0.58
PS2 100/100 guarantee policy	12.47	11.87	11.30	11.04	10.95	0.60	0.57
PS 75/75 guarantee policy	11.21	10.77	10.36	10.21	10.18	0.44	0.41
PS 75/100 guarantee policy	11.21	10.77	10.36	10.21	10.18	0.44	0.41
PS 100/100 guarantee policy	11.21	10.76	10.34	—	—	0.45	0.42
PPS 75/75 guarantee policy	11.32	10.85	10.40	10.24	10.21	0.47	0.45
PPS 75/100 guarantee policy	11.30	10.84	10.39	10.23	10.20	0.46	0.45
PPS 100/100 guarantee policy	11.94	11.45	11.06	10.22	10.19	0.49	0.39
75/75 Constellation	11.02	10.60	10.20	10.06	10.04	0.42	0.40
75/100 Constellation	11.03	10.61	10.21	10.07	10.04	0.42	0.40
100/100 Constellation	—	—	—	10.06	10.04	—	—

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds

Bonds are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash and Overdrafts

Cash and overdrafts are comprised of cash on deposit and overdrafts in the bank. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Money Market Fund (Laketon) SF029

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Money Market Fund (Laketon) SF029

Supplemental Information *(unaudited)*

The following table shows selected key financial information about the Fund and is intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Emperor	—	—	1.58	0.02	0.92
Flex	1.58	1.56	1.10	0.13	0.71
Generations/Mosaic	1.58	1.56	1.07	0.13	0.70
Generations I	1.35	1.34	0.96	0.13	0.63
Generations II	1.40	1.39	0.97	0.13	0.63
Generations Core	1.35	1.34	0.95	0.13	0.69
Prestige/Prestige Plus	—	—	1.58	0.02	0.92
75/75 guarantee policy	1.29	1.32	1.02	0.13	0.57
75/100 guarantee policy	1.29	1.32	1.03	0.13	0.57
100/100 guarantee policy	1.32	1.35	1.02	0.13	0.57
PS1 75/75 guarantee policy	1.00	0.99	0.85	0.13	0.52
PS1 75/100 guarantee policy	1.06	1.05	0.87	0.13	0.52
PS1 100/100 guarantee policy	1.09	1.11	0.88	0.13	0.58
PS 75/75 guarantee policy	0.91	0.99	0.77	—	0.31
PS 75/100 guarantee policy	0.90	0.99	0.73	—	0.14
PS 100/100 guarantee policy	0.72	1.06	0.64	—	—
PPS 75/75 guarantee policy	0.69	0.71	0.46	—	0.05
PPS 75/100 guarantee policy	0.72	0.76	0.52	—	0.11
PPS 100/100 guarantee policy	0.70	0.78	0.47	—	0.11
75/75 Constellation	0.93	1.09	0.54	—	0.24
75/100 Constellation	0.95	1.14	0.59	—	0.29
100/100 Constellation	—	—	—	—	0.15

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

Money Market Fund (Laketon) SF029

Supplemental Information *(unaudited)*

The following table shows selected key financial information about the Fund and is intended to help users of the financial statements understand the Fund's financial performance.

Unsubsidized Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Emperor	—	—	2.26	2.39	2.23
Flex	1.58	1.56	1.57	1.56	1.55
Generations/Mosaic	1.58	1.56	1.57	1.56	1.55
Generations I	1.35	1.34	1.35	1.34	1.33
Generations II	1.40	1.39	1.40	1.39	1.37
Generations Core	1.35	1.34	1.35	1.34	1.33
Prestige/Prestige Plus	—	—	2.26	2.39	2.23
75/75 guarantee policy	1.35	1.35	1.34	1.34	1.33
75/100 guarantee policy	1.35	1.35	1.35	1.34	1.33
100/100 guarantee policy	1.39	1.39	1.39	1.39	1.37
PS1 75/75 guarantee policy	1.00	0.99	1.00	1.00	0.98
PS1 75/100 guarantee policy	1.06	1.05	1.06	1.05	1.04
PS1 100/100 guarantee policy	1.11	1.11	1.11	1.11	1.09
PS 75/75 guarantee policy	1.07	1.07	1.07	1.07	1.06
PS 75/100 guarantee policy	1.07	1.07	1.07	1.07	1.06
PS 100/100 guarantee policy	1.11	1.12	1.12	—	—
PPS 75/75 guarantee policy	0.72	0.73	0.72	0.72	0.71
PPS 75/100 guarantee policy	0.77	0.78	0.78	0.77	0.77
PPS 100/100 guarantee policy	0.83	0.83	0.84	0.83	0.82
75/75 Constellation	1.18	1.18	1.18	1.18	1.17
75/100 Constellation	1.18	1.18	1.18	1.18	1.17
100/100 Constellation	—	—	—	1.23	1.22

(1) The waiving of direct expenses to the segregated funds is done on a discretionary basis to maintain management expense ratios at competitive levels. There is no obligation on the Company to waive expenses and it may cease to do so at any time.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL EQUITY FUND SF034

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Equity Fund SF034 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Equity Fund SF034

(in Canadian \$ thousands)

Fund Manager: Setanta Asset Management Limited

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 4,263	\$ 3,214
Investment income due and accrued	108	235
Due from The Canada Life Assurance Company (note 7)	46	10
Due from brokers	—	7
Due from outside parties	20	20
Investments		
Bonds	—	—
Stocks	170,934	143,182
Investment fund units	—	—
Total investments	170,934	143,182
Total assets	\$ 175,371	\$ 146,668
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 175,371	\$ 146,668

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 29,246	\$ 18,840
Miscellaneous income (loss)	(16)	79
Total income (loss)	29,230	18,919
Expenses		
Management fees (note 7)	3,211	2,767
Transaction costs	53	19
Withholding taxes	251	377
Other	332	278
Total expenses	3,847	3,441
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 25,383	\$ 15,478

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 146,668	\$ 142,410
Contractholder deposits	22,200	14,638
Contractholder withdrawals	(18,880)	(25,858)
Increase (decrease) in net assets from operations attributable to contractholders	25,383	15,478
Change in net assets attributable to contractholders	28,703	4,258
Net assets attributable to contractholders - end of year	\$ 175,371	\$ 146,668

Global Equity Fund SF034

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 25,383	\$ 15,478
Adjustments		
Realized (gains) losses	(8,533)	(6,056)
Unrealized (gains) losses	(17,285)	(8,913)
Gross proceeds of disposition of investments	43,571	29,748
Gross payments for the purchase of investments	(45,505)	(17,583)
Change in investment income due and accrued	127	(110)
Change in due from/to The Canada Life Assurance Company	(36)	(589)
Change in due from/to brokers	7	484
Change in due from/to outside parties	—	—
	(2,271)	12,459
Financing Activities		
Contractholder deposits	22,200	14,638
Contractholder withdrawals	(18,880)	(25,858)
	3,320	(11,220)
Net increase (decrease) in cash, short-term deposits and overdrafts	1,049	1,239
Cash, short-term deposits and overdrafts, beginning of year	3,214	1,975
Cash, short-term deposits and overdrafts, end of year	\$ 4,263	\$ 3,214
Supplementary cash flow information		
Dividend income received	\$ 3,426	\$ 3,677

Global Equity Fund SF034

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	29,570	3,935	8,049
Meta Platforms Inc.	3,873	2,808	3,261
Netflix Inc.	2,075	1,259	2,659
Consumer Discretionary			
Booking Holdings Inc.	911	2,478	6,508
McDonald's Corp.	8,276	1,897	3,450
Nike Inc. Class B	31,152	3,196	3,389
The Home Depot Inc.	3,426	1,466	1,916
Consumer Staples			
Costco Wholesale Corp.	980	540	1,291
PepsiCo Inc.	4,555	675	996
The Estee Lauder Companies Inc. Class A	2,812	830	303
Energy			
Exxon Mobil Corp.	14,244	1,399	2,203
HF Sinclair Corp.	19,179	994	967
Financials			
Berkshire Hathaway Inc. Class B	12,034	3,017	7,844
Intercontinental Exchange Inc.	10,474	1,903	2,244
Marsh & McLennan Companies Inc.	12,911	4,153	3,943
Nasdaq Inc.	20,567	1,614	2,286
S&P Global Inc.	5,344	2,609	3,827
Health Care			
Johnson & Johnson Inc.	2,807	438	584
Quest Diagnostics Inc.	5,184	743	1,124
Thermo Fisher Scientific Inc.	3,268	1,617	2,444
UnitedHealth Group Inc.	4,383	1,689	3,188
Industrials			
Core & Main Inc.	11,494	751	841

Global Equity Fund SF034

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Industrials (continued)			
Ferguson Enterprises Inc.	10,780	2,277	2,690
Oshkosh Corp.	19,236	1,521	2,629
Information Technology			
Applied Materials Inc.	8,995	2,290	2,103
Cognex Corp.	21,832	1,278	1,126
Electronic Arts Inc.	11,345	1,910	2,386
Keysight Technologies Inc.	11,489	1,214	2,653
Microsoft Corp.	12,481	2,401	7,565
Oracle Corp.	28,810	1,948	6,904
PayPal Holdings Inc.	15,293	1,467	1,877
Real Estate			
Equinix Inc. REIT	444	435	602
Utilities			
Exelon Corp.	28,711	1,176	1,554
NextEra Energy Inc.	20,048	1,852	2,066
Total United States Common Stock		59,780	97,472
Global Common Stock			
Bermuda			
Lancashire Holdings Ltd.	184,893	2,041	2,193
Cayman Islands			
Tencent Holdings Ltd.	43,400	2,774	3,349
Denmark			
Coloplast AS	4,682	783	737
Demant AS	33,647	1,799	1,784
Tryg AS	78,681	2,353	2,385

Global Equity Fund SF034

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
France			
Air Liquide SA	9,797	1,729	2,289
EssilorLuxottica SA	9,317	2,022	3,269
Legrand SA	9,982	1,521	1,398
L'Oreal SA	3,864	2,069	1,967
Pernod Ricard SA *	9,031	1,760	1,466
Sanofi SA	9,729	1,097	1,358
Germany			
Hannover Rueck SE	6,569	2,415	2,361
Ireland			
Bank of Ireland Group PLC	130,725	943	1,714
CRH PLC	30,068	1,363	4,012
DCC PLC	33,512	2,884	3,100
Johnson Controls International PLC	3,762	209	427
Kerry Group PLC Class A	12,023	1,404	1,670
Medtronic Co. PLC	14,361	1,702	1,649
Mincon Group PLC	577,553	706	323
Ryanair Holdings PLC ADR	51,474	2,922	3,226
Steris PLC	9,122	1,909	2,696
Israel			
Bank Leumi Le-Israel	160,883	1,247	2,757
Italy			
Eni SPA	73,371	1,584	1,441
Terna SPA	132,451	1,072	1,504
Japan			
Alfresa Holdings Corp.	38,961	961	767
Luxembourg			
Tenaris SA	59,393	931	1,610

*The issuer of this security is a related company to the issuer of the Fund.

Global Equity Fund SF034

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Netherlands			
Heineken Holdings NV	15,657	1,758	1,346
South Korea			
Samsung Electronics Co. Ltd.	40,728	2,245	2,104
Spain			
Viscofan SA	20,684	1,524	1,879
Sweden			
Telefonaktiebolaget LM Ericsson	113,161	1,102	1,315
Switzerland			
Alcon Inc.	13,725	1,173	1,671
Compagnie Financiere Richemont SA	5,878	587	1,285
Nestle SA	9,590	1,413	1,131
Roche Holding AG	3,113	1,110	1,253
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	20,250	1,786	5,750
United Kingdom			
National Grid PLC	90,625	1,323	1,550
Smiths Group PLC	46,475	1,045	1,438
Unilever PLC	15,756	1,000	1,288
Total Global Common Stock		58,266	73,462
Total Stocks		118,046	170,934
Transaction Costs (note 2)		(115)	
Total Investments		117,931	170,934

Global Equity Fund SF034

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Equity Fund SF034 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Equity Fund SF034

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 111,220	\$ 4	\$ 111,224	\$ 1,112
Euro	26,883	1	26,884	269
United Kingdom Pound Sterling	12,293	—	12,293	123
Other Currencies	20,538	—	20,538	205
Total	\$ 170,934	\$ 5	\$ 170,939	\$ 1,709
As Percent of Net Assets Attributable to Contractholders				97.5%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 87,514	\$ 5	\$ 87,519	\$ 875
Euro	19,264	28	19,292	193
United Kingdom Pound Sterling	16,386	—	16,386	164
Other Currencies	20,018	—	20,018	200
Total	\$ 143,182	\$ 33	\$ 143,215	\$ 1,432
As Percent of Net Assets Attributable to Contractholders				97.6%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,709 (\$1,432 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Equity Fund SF034

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Stocks	\$ 149,585	\$ 21,349	\$ —	\$ 170,934
Total assets measured at fair value	\$ 149,585	\$ 21,349	\$ —	\$ 170,934

2023				
Assets and Liabilities Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Stocks	\$ 136,439	\$ 6,743	\$ —	\$ 143,182
Total assets measured at fair value	\$ 136,439	\$ 6,743	\$ —	\$ 143,182

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

Global Equity Fund SF034

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	97,534	105,991	119,139	129,816	141,543	14,703	13,784	14,039	16,966	15,685
Generations/Mosaic	572,834	632,776	701,297	897,924	897,494	10,390	9,901	9,943	14,119	11,966
Generations I	92,107	101,650	105,921	114,873	108,917	2,597	2,469	2,329	2,798	2,247
Generations II	27,025	31,132	38,138	39,663	42,225	675	672	747	863	780
Generations Core	52,539	59,600	67,903	73,627	79,452	1,417	1,383	1,424	1,707	1,558
75/75 guarantee policy	406,829	427,201	442,872	470,394	468,423	13,990	12,638	11,839	13,908	11,711
75/100 guarantee policy	893,065	938,568	972,798	1,029,224	949,863	29,839	27,024	25,351	29,714	23,226
100/100 guarantee policy	66,327	66,045	67,675	67,012	80,262	2,131	1,834	1,705	1,876	1,908
PS1 75/75 guarantee policy	459,302	324,213	308,704	306,032	260,494	15,926	9,627	8,245	8,999	6,447
PS1 75/100 guarantee policy	977,714	820,812	791,725	818,849	670,071	32,576	23,497	20,454	23,368	16,148
PS1 100/100 guarantee policy	34,930	34,275	30,134	32,545	15,703	1,103	934	744	891	364
PS2 75/75 guarantee policy	168,700	167,476	361,840	174,952	104,854	7,884	6,544	12,422	6,458	3,182
PS2 75/100 guarantee policy	178,180	173,474	174,685	174,685	142,920	8,328	6,780	5,998	6,449	4,338
PS2 100/100 guarantee policy	1,397	1,385	1,233	165	—	65	54	42	6	—
PS 75/75 guarantee policy	149,099	147,868	134,677	120,751	67,496	2,286	1,929	1,570	1,540	720
PS 75/100 guarantee policy	186,271	181,925	193,177	136,223	81,706	2,825	2,352	2,235	1,727	868
PPS 75/75 guarantee policy	294,594	217,865	178,669	178,462	20,274	4,652	2,914	2,126	2,312	219
PPS 75/100 guarantee policy	230,456	234,958	255,596	249,933	136,729	3,562	3,086	2,997	3,202	1,463
PPS 100/100 guarantee policy	—	14,378	21,078	21,258	356	—	185	243	269	4

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	150.75	130.05	117.84	130.69	110.81	20.70	12.21
Generations/Mosaic	18.14	15.65	14.18	15.72	13.33	2.49	1.47
Generations I	28.19	24.29	21.99	24.36	20.63	3.90	2.30
Generations II	24.97	21.58	19.58	21.75	18.48	3.39	2.00
Generations Core	26.97	23.20	20.96	23.19	19.61	3.77	2.24
75/75 guarantee policy	34.39	29.58	26.73	29.57	25.00	4.81	2.85
75/100 guarantee policy	33.41	28.79	26.06	28.87	24.45	4.62	2.73
100/100 guarantee policy	32.13	27.76	25.20	27.99	23.77	4.37	2.56
PS1 75/75 guarantee policy	34.67	29.69	26.71	29.40	24.75	4.98	2.98
PS1 75/100 guarantee policy	33.32	28.63	25.84	28.54	24.10	4.69	2.79
PS1 100/100 guarantee policy	31.58	27.24	24.68	27.37	23.20	4.34	2.56
PS2 75/75 guarantee policy	46.73	39.08	34.33	36.91	30.35	7.65	4.75
PS2 75/100 guarantee policy	46.74	39.08	34.34	36.92	30.35	7.66	4.74
PS2 100/100 guarantee policy	46.72	39.06	34.32	36.90	—	7.66	4.74
PS 75/75 guarantee policy	15.33	13.04	11.66	12.75	10.67	2.29	1.38
PS 75/100 guarantee policy	15.17	12.93	11.57	12.68	10.62	2.24	1.36
PPS 75/75 guarantee policy	15.79	13.37	11.90	12.96	10.79	2.42	1.47
PPS 75/100 guarantee policy	15.46	13.14	11.72	12.81	10.70	2.32	1.42
PPS 100/100 guarantee policy	—	12.86	11.53	12.64	10.60	—	1.33

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Equity Fund SF034

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Setanta Asset Management Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Equity Fund SF034

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	3.12	3.09	3.10	3.10	3.09
Generations/Mosaic	3.12	3.09	3.10	3.09	3.09
Generations I	3.01	2.98	2.98	2.98	2.99
Generations II	3.29	3.25	3.26	3.26	3.25
Generations Core	2.85	2.82	2.82	2.82	2.82
75/75 guarantee policy	2.85	2.82	2.82	2.82	2.81
75/100 guarantee policy	3.01	2.98	2.99	2.98	2.97
100/100 guarantee policy	3.29	3.25	3.26	3.26	3.25
PS1 75/75 guarantee policy	2.39	2.36	2.36	2.36	2.35
PS1 75/100 guarantee policy	2.72	2.69	2.69	2.69	2.68
PS1 100/100 guarantee policy	3.11	3.07	3.08	3.06	3.06
PS 75/75 guarantee policy	1.74	1.72	1.72	1.71	1.71
PS 75/100 guarantee policy	1.90	1.88	1.88	1.88	1.87
PPS 75/75 guarantee policy	1.28	1.26	1.26	1.25	1.26
PPS 75/100 guarantee policy	1.61	1.59	1.59	1.59	1.59
PPS 100/100 guarantee policy	—	1.98	1.98	1.98	2.01

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	26.74	12.39	10.45	20.55	31.19

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MANAGED FUND (LAKETON) SF035

December 31, 2024

Independent Auditor's Report

To the Contractholders of Managed Fund (Laketon) SF035 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Managed Fund (Laketon) SF035

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 2,461	\$ 2,102
Investment income due and accrued	564	600
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	70	—
Due from outside parties	25	25
Investments		
Bonds	37,734	40,781
Stocks	60,544	58,165
Investment fund units	—	—
Derivatives (note 7)	28	598
Total investments	98,306	99,544
Total assets	\$ 101,426	\$ 102,271
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	101	433
Due to brokers	34	8
Due to outside parties	—	—
Derivatives (note 7)	869	78
Total liabilities excluding net assets attributable to contractholders	1,004	519
Net assets attributable to contractholders	\$ 100,422	\$ 101,752

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 14,096	\$ 9,594
Miscellaneous income (loss)	103	104
Total income (loss)	14,199	9,698
Expenses		
Management fees (note 8)	2,387	2,439
Transaction costs	20	23
Withholding taxes	32	67
Other	231	250
Total expenses	2,670	2,779
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 11,529	\$ 6,919

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 101,752	\$ 108,669
Contractholder deposits	498	1,029
Contractholder withdrawals	(13,357)	(14,865)
Increase (decrease) in net assets from operations attributable to contractholders	11,529	6,919
Change in net assets attributable to contractholders	(1,330)	(6,917)
Net assets attributable to contractholders - end of year	\$ 100,422	\$ 101,752

Managed Fund (Laketon) SF035

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 11,529	\$ 6,919
Adjustments		
Add back amortization of premium (discount)	55	(71)
Realized (gains) losses	(3,361)	885
Unrealized (gains) losses	(7,062)	(6,560)
Gross proceeds of disposition of investments	32,473	74,843
Gross payments for the purchase of investments	(20,076)	(61,885)
Change in investment income due and accrued	36	(137)
Change in due from/to The Canada Life Assurance Company	(332)	401
Change in due from/to brokers	(44)	9
Change in due from/to outside parties	—	(1)
	13,218	14,403
Financing Activities		
Contractholder deposits	498	1,029
Contractholder withdrawals	(13,357)	(14,865)
	(12,859)	(13,836)
Net increase (decrease) in cash, short-term deposits and overdrafts	359	567
Cash, short-term deposits and overdrafts, beginning of year	2,102	1,535
Cash, short-term deposits and overdrafts, end of year	\$ 2,461	\$ 2,102
Supplementary cash flow information		
Interest income received	\$ 1,894	\$ 1,662
Dividend income received	1,822	1,869

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Government of Canada 2.50% 12-01-2032	10,000	10	10
Government of Canada 2.75% 06-01-2033	212,000	201	206
Government of Canada 3.00% 06-01-2034	134,000	129	132
Total Federal Government		340	348
Provincial Government			
Ontario Power Generation Inc. 4.831% 06-28-2034	11,000	11	12
Province of Ontario 4.05% 02-02-2032	154,000	154	159
Province of Quebec 3.65% 05-20-2032	66,000	65	67
Total Provincial Government		230	238
Corporate - Non-convertible			
1011778 BC ULC/New Red Finance Inc. 3.50% 02-15-2029 144A	31,000	38	41
1011778 BC ULC/New Red Finance Inc. 4.00% 10-15-2030 144A	47,000	54	60
1011778 BC ULC/New Red Finance Inc. 5.625% 09-15-2029 144A	12,000	16	17
407 International Inc. 3.60% 05-21-2047	8,000	6	7
407 International Inc. 3.67% 03-08-2049	34,000	30	30
407 International Inc. 4.22% 02-14-2028	21,000	21	21
AIMCo Realty Investors LP 2.195% 11-04-2026	13,000	13	13
AIMCo Realty Investors LP 2.712% 06-01-2029	75,000	74	72
Algonquin Power & Utilities Corp. 4.09% 02-17-2027	67,000	66	68
Algonquin Power & Utilities Corp. 4.60% 01-29-2029	6,000	6	6
Algonquin Power & Utilities Corp. 5.25% 01-18-2082	72,000	63	69
Algonquin Power Co. 2.85% 07-15-2031	74,000	71	74
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 144A	208,000	241	270
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	63,000	66	68
AltaGas Ltd. 5.25% 01-11-2082	125,000	108	121
AltaGas Ltd. 8.90% 11-10-2083	46,000	46	51
ARC Resources Ltd. 2.354% 03-10-2026	201,000	185	198
ARC Resources Ltd. 3.465% 03-10-2031	8,000	8	8
Athene Global Funding 3.127% 03-10-2025	60,000	59	60
Bank of Montreal 2.077% 06-17-2030	62,000	61	62

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Bank of Montreal 3.65% 04-01-2027	27,000	27	27
Bank of Montreal 4.30% 11-26-2025	244,000	231	244
Bank of Montreal 4.42% 07-17-2029	33,000	33	34
Bank of Montreal 4.537% 12-18-2028	26,000	26	27
Bank of Montreal 4.709% 12-07-2027	86,000	86	89
Bank of Montreal 4.976% 07-03-2034	16,000	16	17
Bank of Montreal 6.034% 09-07-2033	40,000	40	43
Bank of Montreal 6.534% 10-27-2032	10,000	10	11
Bank of Montreal 7.057% 04-26-2028	50,000	50	53
Bank of Montreal 7.325% 11-26-2082	129,000	129	136
Baytex Energy Corp. 8.50% 04-30-2030 144A	32,000	45	47
BCI QuadReal Realty 1.073% 02-04-2026	39,000	39	38
Bell Canada 5.15% 08-24-2034	92,000	92	96
Bell Canada 5.15% 11-14-2028	13,000	13	14
Brookfield Infrastructure Finance ULC 4.193% 09-11-2028	61,000	60	62
Brookfield Infrastructure Finance ULC 5.616% 11-14-2027	51,000	51	54
Brookfield Renewable Partners ULC 4.25% 01-15-2029	58,000	56	59
Brookfield Renewable Partners ULC 4.959% 10-20-2034	9,000	9	9
Brookfield Renewable Partners ULC 5.292% 10-28-2033	6,000	6	6
Bruce Power LP 4.00% 06-21-2030	20,000	19	20
Bruce Power LP 4.70% 06-21-2031	12,000	12	12
Cameco Corp. 2.95% 10-21-2027	50,000	45	49
Cameco Corp. 4.94% 05-24-2031	7,000	7	7
Canadian Core Real Estate 3.299% 03-02-2027	13,000	13	13
Canadian Core Real Estate LP 4.482% 10-16-2029	8,000	8	8
Canadian Imperial Bank of Commerce 1.96% 04-21-2031	35,000	33	34
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	50,000	50	50
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	29,000	29	29
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	16,000	16	16
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	52,000	52	54
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	87,000	87	89
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	11,000	11	11
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	15,000	15	16
Canadian Imperial Bank of Commerce 5.33% 01-20-2033	19,000	19	20

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	14,000	14	15
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	255,000	255	267
Canadian National Railway Co. 4.40% 05-10-2033	53,000	51	54
Canadian Natural Resources Ltd. 4.15% 12-15-2031	8,000	8	8
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	111,000	107	108
Canadian Pacific Railway Ltd. 3.15% 03-13-2029	20,000	18	20
Canadian Western Bank 2.606% 01-30-2025	21,000	22	21
Canadian Western Bank 5.00% 07-31-2081	84,000	69	84
Canadian Western Bank 5.146% 09-02-2027	24,000	24	25
Canadian Western Bank 5.261% 12-20-2025	7,000	7	7
Canadian Western Bank 5.937% 12-22-2032	20,000	20	21
Canadian Western Bank 5.949% 01-29-2034	8,000	8	9
Capital Power Corp. 7.95% 09-09-2082	37,000	37	41
Capital Power Corp. 8.125% 06-05-2054	87,000	87	96
Cascades Inc./Cascades USA Inc. 5.125% 01-15-2025	74,000	73	74
CDP Financial Inc. 1.50% 10-19-2026	90,000	90	88
Cenovus Energy Inc. 2.65% 01-15-2032	67,000	72	80
Cenovus Energy Inc. 3.75% 02-15-2052	108,000	105	107
Central 1 Credit Union 5.877% 11-10-2026	9,000	9	9
CES Energy Solutions Corp. 6.875% 05-24-2029	37,000	37	38
CGI Inc. 4.147% 09-05-2029	8,000	8	8
Choice Properties REIT 2.848% 05-21-2027	55,000	56	54
Choice Properties REIT 5.40% 03-01-2033	21,000	21	22
Cineplex Inc. 7.625% 03-31-2029 144A	18,000	18	19
Coast Capital Savings Federal Credit Union 8.875% 05-02-2033	22,000	22	23
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	9,000	9	9
Coastal Gaslink Pipeline LP 4.907% 06-30-2031	12,000	12	13
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	10,000	10	11
Cologix Data Centers Issuer LLC 4.94% 01-25-2052	5,000	5	5
Cologix Data Centers Issuer LLC 5.68% 01-25-2052	4,000	4	4
Cordelio Amalco GP I 4.087% 06-30-2034 Series B	11,623	11	11
Corus Entertainment Inc. 5.00% 05-11-2028	149,000	117	72
Crombie REIT 3.133% 08-12-2031	11,000	11	10
Curaleaf Holdings Inc. 8.00% 12-15-2026	207,000	250	285

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Dollarama Inc. 5.533% 09-26-2028	14,000	14	15
Dream Industrial REIT 1.662% 12-22-2025	24,000	22	24
Dream Industrial REIT 2.057% 06-17-2027	27,000	27	26
Dream Industrial REIT 2.539% 12-07-2026	25,000	25	24
Dream Industrial REIT 3.968% 04-13-2026	11,000	11	11
Dream Industrial REIT 5.383% 03-22-2028	8,000	8	8
Emera Inc. Floating Rate 06-15-2076	72,000	95	104
Empire Communities Corp. 7.625% 11-01-2029	140,000	140	141
Enbridge Gas Inc. 2.37% 08-09-2029	20,000	17	19
Enbridge Gas Inc. 5.70% 10-06-2033	9,000	9	10
Enbridge Inc. 4.73% 08-22-2034	13,000	13	13
Enbridge Inc. 4.90% 05-26-2028	8,000	8	8
Enbridge Inc. 5.375% 09-27-2077	688,000	656	696
Enbridge Inc. 6.625% 04-12-2078	195,000	202	205
Enbridge Inc. 8.747% 01-15-2084	302,000	302	358
Enbridge Pipelines Inc. 4.55% 09-29-2045	23,000	21	22
Enbridge Pipelines Inc. 5.82% 08-17-2053	20,000	21	22
ENMAX Corp. 4.695% 10-09-2034	7,000	7	7
EPCOR Utilities Inc. 3.106% 07-08-2049	40,000	30	31
EPCOR Utilities Inc. 3.554% 11-27-2047	38,000	31	33
EPCOR Utilities Inc. 4.725% 09-02-2052	18,000	18	18
Equitable Bank 1.876% 11-26-2025	5,000	4	5
Equitable Bank 3.362% 03-02-2026	27,000	27	27
Equitable Bank 3.91% 12-17-2027	22,000	22	22
Equitable Bank 5.16% 01-11-2027	16,000	16	16
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	34,000	31	34
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	56,000	51	57
Federation des Caisses Desjardins du Quebec 1.587% 09-10-2026	57,000	53	55
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	47,000	47	47
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	8,000	8	8
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	25,000	25	26
Federation des Caisses Desjardins du Quebec 5.20% 10-01-2025	16,000	16	16
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	16,000	16	17
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	59,000	60	63

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
First Capital REIT 3.447% 03-01-2028	5,000	4	5
First Capital REIT 4.513% 06-03-2030	5,000	5	5
First Capital REIT 5.455% 06-12-2032	6,000	6	6
First Capital REIT 5.57% 03-01-2031	51,000	52	54
First West Credit Union 9.186% 08-09-2033	10,000	10	11
Ford Credit Canada Co. 2.961% 09-16-2026	38,000	36	37
Ford Credit Canada Co. 5.242% 05-23-2028	11,000	11	11
Ford Credit Canada Co. 5.581% 02-22-2027	10,000	10	10
Ford Credit Canada Co. 6.777% 09-15-2025	80,000	80	82
Ford Credit Canada Co. 7.00% 02-10-2026	79,000	79	82
Fortis Inc. 4.171% 09-09-2031	18,000	18	18
Fortis Inc. 4.431% 05-31-2029	35,000	35	36
Garda World Security Corp. 6.00% 06-01-2029 144A	85,000	96	116
Garda World Security Corp. 8.375% 11-15-2032 144A	36,000	50	53
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	11,000	11	11
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	11,000	11	11
George Weston Ltd. 4.193% 09-05-2029	10,000	10	10
GFL Environmental Inc. 4.00% 08-01-2028 144A	33,000	40	45
GFL Environmental Inc. 5.125% 12-15-2026 144A	50,000	66	71
GFL Environmental Inc. 6.75% 01-15-2031 144A	79,000	107	117
Gibson Energy Inc. 5.25% 12-22-2030	173,000	158	169
Gibson Energy Inc. 8.70% 07-12-2083	71,000	71	78
Granite REIT Holdings LP 2.194% 08-30-2028	28,000	25	26
Granite REIT Holdings LP 3.062% 06-04-2027	64,000	60	63
Granite REIT Holdings LP 4.348% 10-04-2031	18,000	18	18
Greater Toronto Airports Authority 1.54% 05-03-2028	86,000	76	81
Greater Toronto Airports Authority 6.47% 02-02-2034	21,000	24	25
Greenfire Resources Inc. 12.00% 10-01-2028 144A	50,000	67	78
H&R REIT 4.071% 06-16-2025	46,000	50	46
Honda Canada Finance Inc. 5.73% 09-28-2028	9,000	9	10
Hydro One Inc. 4.39% 03-01-2034	15,000	15	15
Hydro One Inc. 4.91% 01-27-2028	18,000	18	19
Hyundai Capital Canada Inc. 4.895% 01-31-2029	7,000	7	7
iA Financial Corp. Inc. 5.685% 06-20-2033	8,000	8	8

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Intact Financial Corp. 4.125% 03-31-2081	12,000	12	12
Intact Financial Corp. 4.653% 05-16-2034	7,000	7	7
Intact Financial Corp. 5.459% 09-22-2032	24,000	32	35
Inter Pipeline Ltd. 4.232% 06-01-2027	15,000	15	15
Inter Pipeline Ltd. 5.71% 05-29-2030	24,000	24	25
Inter Pipeline Ltd. 6.625% 11-19-2079	188,000	179	191
Inter Pipeline Ltd. 6.875% 03-26-2079	322,000	310	331
Keyera Corp. 5.95% 03-10-2081	160,000	145	162
Keyera Corp. 6.875% 06-13-2029	320,000	305	337
Kruger Packaging Holdings LP 6.00% 06-01-2026	54,000	54	54
Kruger Products Inc. 5.375% 04-09-2029	7,000	7	7
Laurentian Bank of Canada 5.30% 06-15-2081	68,000	57	60
Loblaw Companies Ltd. 2.284% 05-07-2030	38,000	32	35
Loblaw Companies Ltd. 4.488% 12-11-2028	79,000	76	82
Loblaw Companies Ltd. 5.336% 09-13-2052	17,000	17	18
Lower Mattagami Energy LP 2.433% 05-14-2031	130,000	122	120
Manulife Financial Corp. 3.375% 06-19-2081	250,000	228	228
Manulife Financial Corp. 4.064% 12-06-2034	15,000	15	15
Manulife Financial Corp. 4.10% 03-19-2082	50,000	45	45
Manulife Financial Corp. 5.054% 02-23-2034	16,000	16	17
Manulife Financial Corp. 5.409% 03-10-2033	53,000	54	56
Manulife Financial Corp. 7.117% 06-19-2082	490,000	481	512
Mattamy Group Corp. 4.625% 03-01-2030 144A	66,000	79	88
MEG Energy Corp. 5.875% 02-01-2029 144A	180,000	234	253
National Bank of Canada 1.534% 06-15-2026	50,000	47	49
National Bank of Canada 4.05% 08-15-2081	87,000	78	84
National Bank of Canada 5.023% 02-01-2029	25,000	25	26
National Bank of Canada 5.219% 06-14-2028	24,000	24	25
National Bank of Canada 5.279% 02-15-2034	9,000	9	9
National Bank of Canada 5.296% 11-03-2025	51,000	51	52
National Bank of Canada 5.426% 08-16-2032	42,000	42	44
National Bank of Canada 7.50% 11-16-2082	250,000	264	265
North West Redwater Partnership/NWR Financing Co. Ltd. 2.80% 06-01-2031	45,000	41	42
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	10,000	10	10

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Northland Power Inc. 9.25% 06-30-2083	175,000	173	190
NOVA Chemicals Corp. 5.00% 05-01-2025 144A	29,000	39	42
NuVista Energy Ltd. 7.875% 07-23-2026	87,000	89	89
OMERS Finance Trust 1.55% 04-21-2027	117,000	106	113
Ontario Gaming GTA LP 8.00% 08-01-2030 144A	44,000	59	65
Ontario Teachers' Finance Trust 4.45% 06-02-2032	24,000	24	25
Open Text Corp. 3.875% 12-01-2029 144A	67,000	76	87
Parkland Corp. of Canada 3.875% 06-16-2026	213,000	206	211
Parkland Corp. of Canada 4.375% 03-26-2029	254,000	251	246
Parkland Corp. of Canada 6.00% 06-23-2028	216,000	212	217
Pembina Pipeline Corp. 4.80% 01-25-2031	270,000	234	259
Pembina Pipeline Corp. 5.22% 06-28-2033	13,000	13	14
Prologis Inc. 4.70% 03-01-2029	15,000	15	15
Reliance LP 2.67% 08-01-2028	42,000	42	40
Reliance LP 5.25% 05-15-2031	9,000	9	9
RioCan REIT 2.361% 03-10-2027	50,000	50	49
RioCan REIT 2.576% 02-12-2025	121,000	121	121
RioCan REIT 2.829% 11-08-2028	37,000	33	35
Rogers Communications Inc. 2.90% 12-09-2030	247,000	217	232
Rogers Communications Inc. 3.75% 04-15-2029	193,000	185	192
Rogers Communications Inc. 5.00% 12-17-2081	157,000	151	157
Rogers Communications Inc. 5.25% 03-15-2082	19,000	24	27
Rogers Communications Inc. 5.25% 03-15-2082 144A	233,000	288	326
Rogers Communications Inc. 5.70% 09-21-2028	27,000	27	29
Royal Bank of Canada 4.00% 02-24-2081	67,000	60	66
Royal Bank of Canada 4.00% 10-17-2030	41,000	41	41
Royal Bank of Canada 4.464% 10-17-2035	14,000	14	14
Royal Bank of Canada 4.50% 11-24-2080	47,000	45	47
Royal Bank of Canada 4.612% 07-26-2027	6,000	6	6
Royal Bank of Canada 4.632% 05-01-2028	17,000	17	18
Royal Bank of Canada 4.642% 01-17-2028	15,000	15	15
Royal Bank of Canada 5.096% 04-03-2034	18,000	18	19
Royal Bank of Canada 5.235% 11-02-2026	24,000	24	25
Royal Bank of Canada Floating Rate 08-08-2034	31,000	31	32

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Sagen MI Canada Inc. 3.261% 03-05-2031	38,000	38	35
Sagen MI Canada Inc. 4.95% 03-24-2081	2,000	2	2
Saputo Inc. 5.492% 11-20-2030	15,000	15	16
Saturn Oil & Gas Inc. 9.625% 06-15-2029 144A	35,000	48	49
Secure Waste Infrastructure Corp. 6.75% 03-22-2029	103,000	103	106
Sienna Senior Living Inc. 2.82% 03-31-2027	14,000	14	14
Sleep Country Canada 6.625% 11-28-2032	64,000	64	65
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	5,000	5	5
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	7,000	7	7
Stella-Jones Inc. 4.312% 10-01-2031	7,000	7	7
Sun Life Financial Inc. 2.06% 10-01-2035	36,000	36	33
Sun Life Financial Inc. 2.80% 11-21-2033	32,000	32	31
Sun Life Financial Inc. 3.60% 06-30-2081	167,000	129	151
Sun Life Financial Inc. 4.78% 08-10-2034	17,000	17	18
Sun Life Financial Inc. 5.12% 05-15-2036	19,000	19	20
Sun Life Financial Inc. 5.50% 07-04-2035	3,000	3	3
Suncor Energy Inc. 3.75% 03-04-2051	133,000	135	134
Suncor Energy Inc. 3.95% 03-04-2051	123,000	121	106
Suncor Energy Inc. 5.40% 11-17-2026	20,000	20	21
Superior Plus LP 4.25% 05-18-2028	343,000	333	326
Surge Energy Inc. 8.50% 09-05-2029	38,000	38	38
Tamarack Valley Energy Ltd. 7.25% 05-10-2027	193,000	186	196
TELUS Corp. 2.85% 11-13-2031	60,000	50	55
TELUS Corp. 3.15% 02-19-2030	79,000	75	76
TELUS Corp. 3.30% 05-02-2029	14,000	14	14
TELUS Corp. 4.80% 12-15-2028	5,000	5	5
TELUS Corp. 4.95% 02-18-2031	10,000	10	10
TELUS Corp. 4.95% 03-28-2033	9,000	9	9
Teranet Holdings LP 3.719% 02-23-2029	46,000	46	45
The Bank of Nova Scotia 1.95% 01-10-2025	38,000	37	38
The Bank of Nova Scotia 3.836% 09-26-2030	17,000	17	17
The Bank of Nova Scotia 3.934% 05-03-2032	27,000	27	27
The Bank of Nova Scotia 4.442% 11-15-2035	7,000	7	7
The Bank of Nova Scotia 4.68% 02-01-2029	12,000	12	12

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
The Bank of Nova Scotia 4.95% 08-01-2034	13,000	13	13
The Bank of Nova Scotia 5.50% 05-08-2026	40,000	40	41
The Bank of Nova Scotia 5.50% 12-29-2025	56,000	56	57
The Bank of Nova Scotia 5.679% 08-02-2033	10,000	10	11
The Bank of Nova Scotia 7.023% 07-27-2082	79,000	78	82
The Cannabist Company Holdings Inc. 9.50% 02-03-2026	50,000	63	51
The Empire Life Insurance Co. 3.625% 04-17-2026	20,000	20	18
The Independent Order of Foresters 2.885% 10-15-2035	100,000	100	90
The Toronto-Dominion Bank 2.26% 01-07-2027	17,000	16	17
The Toronto-Dominion Bank 2.667% 09-09-2025	11,000	11	11
The Toronto-Dominion Bank 3.06% 01-26-2032	217,000	214	214
The Toronto-Dominion Bank 3.105% 04-22-2030	142,000	137	142
The Toronto-Dominion Bank 4.002% 10-31-2030	17,000	17	17
The Toronto-Dominion Bank 4.21% 06-01-2027	63,000	63	64
The Toronto-Dominion Bank 4.344% 01-27-2026	14,000	14	14
The Toronto-Dominion Bank 4.423% 10-31-2035	21,000	21	21
The Toronto-Dominion Bank 4.477% 01-18-2028	38,000	38	39
The Toronto-Dominion Bank 4.68% 01-08-2029	68,000	67	70
The Toronto-Dominion Bank 5.376% 10-21-2027	27,000	27	28
The Toronto-Dominion Bank 5.423% 07-10-2026	15,000	15	15
The Toronto-Dominion Bank 5.491% 09-08-2028	24,000	24	25
The Toronto-Dominion Bank 5.75% 10-31-2027	133,000	119	133
The Toronto-Dominion Bank 7.283% 10-31-2082	82,000	82	86
TMX Group Ltd. 2.016% 02-12-2031	24,000	24	22
TMX Group Ltd. 4.678% 08-16-2029	14,000	14	15
Tourmaline Oil Corp. 2.529% 02-12-2029	137,000	121	131
Toyota Credit Canada Inc. 3.73% 10-02-2029	11,000	11	11
Toyota Credit Canada Inc. 4.44% 06-27-2029	9,000	9	9
TransCanada PipeLines Ltd. 5.277% 07-15-2030	51,000	52	54
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	453,000	425	451
TransCanada Trust 4.20% 03-04-2081	61,000	61	57
TransCanada Trust 5.30% 03-15-2077	14,000	17	19
Trulieve Cannabis Corp. 8.00% 10-06-2026	100,000	100	140
Vancouver Airport Authority 1.76% 09-20-2030	35,000	30	32

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Ventas Canada Finance Ltd. 5.10% 03-05-2029	14,000	14	15
Ventas Canada Finance Ltd. 5.398% 04-21-2028	19,000	19	20
Veren Inc. 4.968% 06-21-2029	12,000	12	12
Vermilion Energy Inc. 6.875% 05-01-2030 144A	70,000	88	100
Videotron Ltd. 3.125% 01-15-2031	82,000	65	77
Videotron Ltd. 3.625% 06-15-2028	287,000	259	285
Videotron Ltd. 4.50% 01-15-2030	278,000	278	282
Videotron Ltd. 4.65% 07-15-2029	13,000	13	13
Videotron Ltd. 5.625% 06-15-2025	300,000	298	301
VW Credit Canada Inc. 4.42% 08-20-2029	37,000	37	37
Whitecap Resources Inc. 4.382% 11-01-2029	8,000	8	8
WSP Global Inc. 4.12% 09-12-2029	8,000	8	8
Total Corporate - Non-convertible		18,671	19,590
Corporate - Convertible			
The Cannabist Company Holdings Inc. 6.00% 06-29-2025 Conv.	5,000	6	5
Total Corporate - Convertible		6	5
Mortgage Backed			
Scotia Capital Inc. 1.25% 03-01-2025	139,000	64	63
Total Mortgage Backed		64	63
Total Canadian Bonds		19,311	20,244
United States Bonds			
Federal Government			
United States Treasury 1.875% 02-15-2032	225,000	258	272
United States Treasury 2.375% 02-15-2042	70,000	73	72
United States Treasury 2.75% 08-15-2032	35,000	43	45
United States Treasury 3.00% 08-15-2052	442,000	460	457
United States Treasury Inflation Index 0.125% 01-15-2032 Real Return	320,000	416	455

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Federal Government (continued)			
United States Treasury Inflation Index 0.125% 02-15-2051 Real Return	457,000	472	439
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	558,200	799	765
Total Federal Government		2,521	2,505
Corporate - Non-convertible			
Acuris Finance US Inc./Acuris Finance SARL 5.00% 05-01-2028 144A	83,000	93	108
Albertsons Companies Inc./Safeway Inc./New Albertsons LP/Albertsons LLC 3.25% 03-15-2026 144A	100,000	127	140
Albertsons Companies Inc./Safeway Inc./New Albertsons LP/Albertsons LLC 4.625% 01-15-2027	67,000	87	94
Albertsons Companies Inc./Safeway Inc./New Albertsons LP/Albertsons LLC 4.875% 02-15-2030 144A	83,000	108	114
Algonquin Power & Utilities Corp. 4.75% 01-18-2082	58,000	70	78
Allied Universal Holdco LLC 7.875% 02-15-2031 144A	26,000	35	38
Alphabet Inc. 1.10% 08-15-2030	155,000	182	186
Alphabet Inc. 1.90% 08-15-2040	225,000	205	212
Alphabet Inc. 2.05% 08-15-2050	219,000	183	175
Alphabet Inc. 2.25% 08-15-2060	42,000	34	33
AMC Entertainment Holdings Inc. 7.50% 02-15-2029 144A	20,000	25	26
American Axle & Manufacturing Inc. 5.00% 10-01-2029	25,000	31	33
Apple Inc. 1.25% 08-20-2030	39,000	46	47
Apple Inc. 1.65% 02-08-2031	128,000	152	155
Apple Inc. 2.65% 02-08-2051	140,000	129	124
Apple Inc. 2.65% 05-11-2050	300,000	277	269
Ardagh Metal Packaging Finance USA LLC/Ardagh Metal Packaging Finance PLC 4.00% 09-01-2029 144A	67,000	73	83
Ashton Woods USA LLC/Ashton Woods Finance Co. 4.625% 08-01-2029	90,000	101	119
AT&T Inc. 4.30% 02-15-2030	50,000	64	70
Athene Global Funding 2.10% 09-24-2025	30,000	27	30
Athene Global Funding 2.47% 06-09-2028	16,000	14	15
Athene Global Funding 5.113% 03-07-2029	11,000	11	11
Atlas Luxco 4 SARL/Allied Universal Holdco LLC/Allied Universal Finance Corp. 4.625% 06-01-2028 144A	50,000	68	68
B&G Foods Inc. 8.00% 09-15-2028 144A	41,000	56	61
Ball Corp. 2.875% 08-15-2030	31,000	35	38
Bank of America Corp. 2.598% 04-04-2029	45,000	45	44

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
Block Inc. 3.50% 06-01-2031	31,000	36	39
Block Inc. 6.50% 05-15-2032 144A	21,000	29	31
Broadcom Inc. 4.11% 09-15-2028	51,000	65	72
CCO Holdings LLC 4.50% 05-01-2032	20,000	21	25
Centene Corp. 3.375% 02-15-2030	126,000	146	161
Centene Corp. 4.625% 12-15-2029	17,000	21	23
Champ Acquisition Corp. 8.375% 12-01-2031 144A	2,000	3	3
Charter Communications Operating LLC 2.80% 04-01-2031	25,000	27	30
Charter Communications Operating LLC 5.05% 03-30-2029	475,000	605	670
Charter Communications Operating LLC/Charter Communications Operating Capital Corp. 2.30% 02-01-2032	35,000	34	40
Charter Communications Operating LLC/Charter Communications Operating Capital Corp. 6.15% 11-10-2026	7,000	10	10
Chemours Co. 8.00% 01-15-2033 144A	20,000	28	28
Chevron Corp. 2.236% 05-11-2030	54,000	63	68
Chevron USA Inc. 2.343% 08-12-2050	250,000	215	203
Clean Harbors Inc. 6.375% 02-01-2031 144A	83,000	113	120
Clear Channel Outdoor Holdings Inc. 7.75% 04-15-2028 144A	20,000	26	26
Clearway Energy Operating LLC 3.75% 01-15-2032 144A	17,000	19	21
Clearway Energy Operating LLC 3.75% 02-15-2031 144A	17,000	19	21
Clydesdale Acquisition Holdings Inc. 8.75% 04-15-2030 144A	34,000	43	50
Coinbase Global Inc. 3.625% 10-01-2031 144A	146,000	139	177
CommScope Finance LLC 8.25% 03-01-2027 144A	17,000	20	23
CommScope Inc. 4.75% 09-01-2029 144A	66,000	67	85
Continental Resources Inc. 4.90% 06-01-2044	113,000	118	132
Covanta Holding Corp. 4.875% 12-01-2029 144A	46,000	55	61
Crocs Inc. 4.125% 08-15-2031 144A	38,000	45	48
CROWN Americas LLC 5.25% 04-01-2030	83,000	106	116
CSC Holdings LLC 5.75% 01-15-2030	40,000	33	33
Devon Energy Corp. 4.50% 01-15-2030	33,000	42	46
Diamondback Energy Inc. 3.50% 12-01-2029	50,000	60	67
DISH DBS Corp. 5.125% 06-01-2029	8,000	8	7
DISH DBS Corp. 5.25% 12-01-2026 144A	42,000	45	55
DISH Network Corp. 11.75% 11-15-2027 144A	88,000	115	134
Electronic Arts Inc. 1.85% 02-15-2031	112,000	131	134

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
Electronic Arts Inc. 2.95% 02-15-2051	78,000	69	70
Embecka Corp. 5.00% 02-15-2030	50,000	59	66
Endo Finance Holdings Inc. 8.50% 04-15-2031 144A	42,000	58	64
Energizer Holdings Inc. 4.375% 03-31-2029 144A	29,000	38	39
Expedia Group Inc. 2.95% 03-15-2031	58,000	63	74
Exxon Mobil Corp. 3.095% 08-16-2049	111,000	110	106
FAGE International SA 5.625% 08-15-2026	200,000	261	286
Fair Isaac Corp. 4.00% 06-15-2028 144A	39,000	49	53
Fertitta Entertainment LLC/Fertitta Entertainment Finance Co. Inc. 6.75% 01-15-2030 144A	21,000	25	28
Ford Motor Co. 3.25% 02-12-2032	84,000	104	101
Ford Motor Credit Co. LLC 2.70% 08-10-2026	67,000	81	93
Frontier Communications Holdings LLC 6.75% 05-01-2029	12,000	14	17
Garda World Security Corp. 8.25% 08-01-2032 144A	43,000	59	63
Garrett Motion Holdings Inc./Garrett LX I Sarl 7.75% 05-31-2032 144A	16,000	22	23
Gartner Inc. 3.625% 06-15-2029	227,000	273	304
Glencore Funding LLC 5.70% 05-08-2033 144A	11,000	15	16
Goodyear Tire & Rubber Co. 5.25% 07-15-2031	20,000	25	26
Hasbro Inc. 3.55% 11-19-2026	67,000	85	94
HCA Inc. 3.50% 09-01-2030	186,000	219	243
Heartland Dental LLC/Heartland Dental Finance Corp. 10.50% 04-30-2028	35,000	47	53
Hilton Domestic Operating Co. Inc. 4.875% 01-15-2030	92,000	117	127
Icahn Enterprises LP/Icahn Enterprises Finance Corp. 9.75% 01-15-2029	20,000	29	29
IIP Operating Partnership LP 5.50% 05-25-2026	67,000	79	93
Iron Mountain Inc. 5.00% 07-15-2028 144A	50,000	63	70
Iron Mountain Inc. 5.25% 07-15-2030 144A	83,000	101	114
Jabil Inc. 3.00% 01-15-2031	133,000	149	168
LABL Escrow Issuer LLC 10.50% 07-15-2027 144A	58,000	75	81
LABL Inc. 8.25% 11-01-2029	100,000	114	125
Lamb Weston Holdings Inc. 4.375% 01-31-2032	100,000	121	130
Lumen Technologies Inc. 4.50% 01-15-2029 144A	20,000	23	25
Marriott International Inc. 4.875% 05-15-2029	28,000	37	40
Marriott International Inc. 4.90% 04-15-2029	50,000	66	72
Mauser Packaging Solutions Holding Co. 7.875% 04-15-2027 144A	66,000	90	97
Mav Acquisition Corp. 5.75% 08-01-2028	15,000	19	21

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
Mav Acquisition Corp. 5.75% 08-01-2028 144A	100,000	121	140
McDonald's Corp. 2.125% 03-01-2030	142,000	161	179
Mercer International Inc. 5.125% 02-01-2029	42,000	48	52
Microsoft Corp. 2.525% 06-01-2050	194,000	179	172
Minerva Merger Sub Inc. 6.50% 02-15-2030 144A	97,000	107	133
Moody's Corp. 2.00% 08-19-2031	67,000	72	80
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	75,000	96	104
MPT Operating Partnership LP/MPT Finance Corp. 4.625% 08-01-2029	111,000	104	115
MSCI Inc. 3.25% 08-15-2033 144A	150,000	162	182
Nabors Industries Inc. 8.875% 08-15-2031 144A	30,000	41	40
Nestle Holdings Inc. 2.192% 01-26-2029	14,000	13	13
New Fortress Energy Inc. 6.50% 09-30-2026 144A	33,000	43	46
NextEra Energy Capital Holdings Inc. 4.85% 04-30-2031	20,000	20	21
NOVA Chemicals Corp. 7.00% 12-01-2031 144A	68,000	97	97
NOVA Chemicals Corp. 9.00% 02-15-2030 144A	43,000	58	65
Novelis Corp. 4.75% 01-30-2030 144A	44,000	54	59
NVIDIA Corp. 2.00% 06-15-2031	34,000	41	42
NVIDIA Corp. 3.50% 04-01-2050	80,000	86	86
Office Properties Income Trust 9.00% 09-30-2029 144A	40,000	48	50
Open Text Corp. 4.125% 12-01-2031 144A	48,000	52	61
Oracle Corp. 2.875% 03-25-2031	50,000	56	63
Organon Finance 1 LLC 5.125% 04-30-2031 144A	25,000	29	32
Pattern Energy Operations LP/Pattern Energy Operations Inc. 4.50% 08-15-2028 144A	33,000	40	45
Pearl Merger Sub Inc. 6.75% 10-01-2028 144A	115,000	134	152
Pediatrics Medical Group Inc. 5.375% 02-15-2030 144A	33,000	40	45
Pilgrim's Pride Corp. 4.25% 04-15-2031	88,000	104	116
Raven Acquisition Holdings LLC 6.875% 11-15-2031 144A	53,000	76	76
Royal Caribbean Cruises Ltd. 6.25% 03-15-2032 144A	20,000	27	29
S&P Global Inc. 2.30% 08-15-2060	26,000	21	19
Sabre GLBL Inc. 10.75% 11-15-2029 144A	11,000	14	16
Sabre GLBL Inc. 8.625% 06-01-2027 144A	25,000	30	36
Schlumberger Holdings Corp. 3.90% 05-17-2028	142,000	183	198
Scripps Escrow II Inc. 5.375% 01-15-2031 144A	12,000	8	9
Scripps Escrow Inc. 5.875% 07-15-2027 144A	8,000	9	9

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
Sealed Air Corp. 5.00% 04-15-2029 144A	67,000	85	93
Sealed Air Corp. 6.125% 02-01-2028 144A	58,000	79	84
Sealed Air Corp. 6.50% 07-15-2032 144A	28,000	38	41
Smyrna Ready Mix 8.875% 11-15-2031 144A	30,000	41	45
Superior Plus LP/Superior General Partner Inc. 4.50% 03-15-2029 144A	83,000	100	108
Tegna Inc. 5.00% 09-15-2029	27,000	36	36
Tenet Healthcare Corp. 4.25% 06-01-2029	75,000	91	101
Tenet Healthcare Corp. 4.375% 01-15-2030 144A	80,000	95	107
Tenet Healthcare Corp. 6.125% 10-01-2028	98,000	125	141
The Goldman Sachs Group Inc. 2.013% 02-28-2028	77,000	70	73
The Goldman Sachs Group Inc. 2.599% 11-30-2027	74,000	74	73
T-Mobile USA Inc. 2.55% 02-15-2031	93,000	102	115
T-Mobile USA Inc. 4.75% 02-01-2028	34,000	45	49
T-Mobile USA Inc. 5.20% 01-15-2033	26,000	34	37
Univision Communications Inc. 4.50% 05-01-2029	10,000	12	13
Univision Communications Inc. 4.50% 05-01-2029 144A	66,000	77	85
Univision Communications Inc. 7.375% 06-30-2030 144A	17,000	22	23
US Foods Inc. 4.75% 02-15-2029 144A	44,000	54	61
Verde Purchaser LLC 10.50% 11-30-2030 144A	50,000	69	78
Veritiv Operating Co. 10.50% 11-30-2030 144A	11,000	17	17
Verizon Communications Inc. 2.375% 03-22-2028	153,000	139	148
Viasat Inc. 6.50% 07-15-2028	33,000	35	39
Virgin Media Secured Finance PLC 4.50% 08-15-2030	30,000	34	37
Visa Inc. 1.10% 02-15-2031	21,000	24	24
Visa Inc. 2.00% 08-15-2050	262,000	212	204
Walgreens Boots Alliance Inc. 4.80% 11-18-2044	53,000	61	55
Wells Fargo & Co. 2.975% 05-19-2026	30,000	32	30
Welltower Inc. 4.25% 04-15-2028	25,000	32	35
Zoetis Inc. 2.00% 05-15-2030	19,000	21	24
Total Corporate - Non-convertible		11,774	12,699
Total United States Bonds		14,295	15,204

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds			
Australia			
Transurban Finance Co. Pty Ltd. 4.555% 11-14-2028	110,000	109	111
Bahamas			
Commonwealth of Bahamas 6.00% 11-21-2028	67,000	75	92
Commonwealth of Bahamas 8.95% 10-15-2032	10,000	12	15
Bermuda			
Weatherford International Ltd. 8.625% 04-30-2030 144A	110,000	155	164
Brazil			
Federative Republic of Brazil 10.00% 01-01-2031	1,000	225	186
Cayman Islands			
Country Garden Holdings Co. Ltd. 2.70% 07-12-2026	200,000	164	30
Country Garden Holdings Co. Ltd. 5.625% 01-14-2030	200,000	168	30
Seagate HDD Cayman 4.901% 06-01-2029	2,000	2	3
Sunac China Holdings Ltd. 1.00% 09-30-2032	22,010	8	4
Finland			
Spa Holdings 3 Oy 4.875% 02-04-2028 144A	67,000	79	92
France			
Altice France 5.125% 07-15-2029 144A	300,000	323	324
Germany			
Federal Republic of Germany 0.00% 08-15-2052	270,000	186	201
Federal Republic of Germany 0.10% 04-15-2046 Real Return	150,000	275	256
Ireland			
Perrigo Finance Unlimited Co. 4.40% 06-15-2030	81,000	100	109
Jersey			
Heathrow Funding Ltd. 3.726% 04-13-2033	46,000	47	44
Heathrow Funding Ltd. 3.782% 09-04-2030	37,000	36	36

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Liberia			
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	13,000	18	19
Luxembourg			
Kleopatra Finco SARL 4.25% 03-01-2026	100,000	123	137
Netherlands			
Alcoa Nederland Holding BV 5.50% 12-15-2027	50,000	67	72
UPC Broadband Finco BV 4.875% 07-15-2031 144A	67,000	78	87
Supra-National			
Canpack SA and Eastern PA Land Investment Holding LLC 3.875% 11-15-2029 144A	100,000	111	130
United Kingdom			
International Game Technology PLC 2.375% 04-15-2028	100,000	129	144
Total Global Bonds		2,490	2,286
Total Bonds		36,096	37,734
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	6,552	367	290
TELUS Corp.	31,670	832	617
TELUS International Inc.	17,388	455	98
Consumer Discretionary			
BRP Inc.	2,420	200	177
Dollarama Inc.	2,663	194	374
Magna International Inc.	4,973	379	299
Restaurant Brands International Inc.	6,265	488	587
Consumer Staples			
Alimentation Couche-Tard Inc.	7,379	337	588
Loblaw Companies Ltd.	3,975	439	752

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Energy			
AltaGas Ltd.	5,048	142	169
ARC Resources Ltd.	12,688	290	331
Canadian Natural Resources Ltd.	29,366	979	1,303
Cenovus Energy Inc.	16,685	410	364
Enbridge Inc.	18,588	873	1,134
Pembina Pipeline Corp.	7,828	392	416
Suncor Energy Inc.	17,884	822	918
TC Energy Corp.	10,368	546	695
Tourmaline Oil Corp.	6,615	380	440
Exchange Traded Funds			
iShares S&P/TSX Global Gold Index ETF	14,074	258	297
Mackenzie Canadian All Corporate Bond Index ETF *	4,418	397	423
Mackenzie Core Plus Global Fixed Income ETF *	16,099	269	259
Mackenzie Emerging Markets Bond Index ETF *	4,141	310	321
Mackenzie Floating Rate Income ETF *	122,224	2,141	2,081
Mackenzie Global High Yield Fixed Income ETF *	31,351	539	560
Mackenzie US Investment Grade Corporate Bond Hedged to CAD Index ETF *	4,685	394	397
Financials			
Bank of Montreal	11,367	1,290	1,586
Brookfield Asset Management Inc. Class A	5,738	212	447
Brookfield Corp.	8,163	267	674
iA Financial Corp. Inc.	3,864	334	515
Intact Financial Corp.	3,511	525	919
Manulife Financial Corp.	18,591	410	821
Royal Bank of Canada	14,072	1,392	2,438
Sun Life Financial Inc.	12,608	794	1,076
The Bank of Nova Scotia	10,827	709	836
The Toronto-Dominion Bank	20,244	1,407	1,549
Thomson Reuters Corp.	1,090	147	252

*The issuer of this security is a related company to the issuer of the Fund.

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials			
CAE Inc.	8,044	264	294
Canadian National Railway Co.	6,405	756	935
Canadian Pacific Kansas City Ltd.	11,413	845	1,188
Finning International Inc.	10,385	356	396
Toromont Industries Ltd.	2,481	275	282
Waste Connections Inc.	2,433	596	600
WSP Global Inc.	504	104	127
Information Technology			
CGI Group Inc. Class A sub. voting	3,839	351	604
Open Text Corp.	8,054	389	328
Materials			
Agnico Eagle Mines Ltd.	8,197	709	922
Barrick Gold Corp.	17,200	433	383
CCL Industries Inc. Class B non-voting	6,498	397	481
Franco-Nevada Corp.	1,428	233	241
Teck Resources Ltd. Class B	6,925	323	404
Wheaton Precious Metals Corp.	1,822	159	147
Nutrien Ltd.	9,696	736	624
Real Estate			
Canadian Apartment Properties REIT	3,425	158	146
Choice Properties REIT	8,327	116	111
Granite REIT	3,043	233	212
Utilities			
Emera Inc.	7,937	430	426
Fortis Inc.	2,459	130	147
Northland Power Inc.	16,761	498	300
Total Canadian Common Stock		28,816	34,307

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Preferred Stock			
Communication Services			
BCE Inc. 2.75% Preferred	137	2	2
BCE Inc. 3.61% Preferred	748	12	12
BCE Inc. 4.13% Preferred	38	1	1
Consumer Staples			
Loblaw Companies Ltd. 5.30% Preferred	165	4	4
Energy			
TransAlta Corp. 4.027% Preferred	130	2	3
Financials			
Brookfield Corp. 4.80% Preferred Conv.	428	11	11
Utilities			
Emera Inc. 4.25% Preferred	36	1	1
Emera Inc. 4.60% Preferred	345	9	7
TransAlta Corp. 2.709% Preferred	387	5	6
Total Canadian Preferred Stock		47	47
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	2,717	397	740
Meta Platforms Inc.	813	384	684
Consumer Discretionary			
Amazon.com Inc.	2,783	427	878
AutoZone Inc.	49	179	226
McDonald's Corp.	432	134	180
The Home Depot Inc.	367	171	205
Consumer Staples			
Altria Group Inc.	3,046	187	229
Colgate Palmolive Co.	2,531	271	331

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Consumer Staples (continued)			
Philip Morris International Inc.	3,623	471	627
Walmart Inc.	3,336	229	433
Energy			
Chevron Corp.	1,097	245	228
Exxon Mobil Corp.	2,463	396	381
The Williams Companies Inc.	5,620	265	437
Financials			
CME Group Inc.	1,318	332	440
JPMorgan Chase & Co.	2,390	388	824
Moody's Corp.	267	105	182
S&P Global Inc.	586	253	420
The Blackstone Group Inc.	1,295	224	321
The Goldman Sachs Group Inc.	263	217	217
Health Care			
AbbVie Inc.	2,100	402	537
Becton, Dickinson and Co.	554	176	181
Eli Lilly and Co.	139	160	154
Johnson & Johnson Inc.	1,774	392	369
McKesson Corp.	313	170	256
Thermo Fisher Scientific Inc.	215	155	161
UnitedHealth Group Inc.	447	318	325
Industrials			
Ferguson Enterprises Inc.	968	242	242
Parker Hannifin Corp.	237	178	217
Union Pacific Corp.	670	183	220
Information Technology			
Apple Inc.	3,358	706	1,209
Broadcom Inc.	2,150	165	717
Lam Research Corp.	2,434	163	253

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology (continued)			
Microsoft Corp.	2,316	748	1,404
Motorola Solutions Inc.	985	284	655
NVIDIA Corp.	4,477	307	864
Oracle Corp.	1,471	253	352
Texas Instruments Inc.	483	99	130
Visa Inc. Class A	1,131	299	514
Materials			
The Sherwin-Williams Co.	345	116	169
Real Estate			
American Tower Corp. REIT Class A	789	256	208
Utilities			
Duke Energy Corp.	1,582	226	245
Total United States Common Stock		11,273	17,365
Global Common Stock			
Bermuda			
Brookfield Infrastructure Partners LP Partnership Units	9,137	431	417
Denmark			
Novo Nordisk AS	1,159	88	143
France			
Air Liquide SA	1,093	192	255
L'Oreal SA	194	107	99
LVMH Moet Hennessy Louis Vuitton	171	138	162
Safran SA	949	128	300
Germany			
Deutsche Boerse AG	1,562	330	517
SAP SE	1,616	226	569

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Germany (continued)			
Siemens AG	712	164	200
Hong Kong			
Techtronic Industries Co. Ltd.	8,000	161	152
India			
HDFC Bank Ltd. ADR	2,671	195	245
Ireland			
CRH PLC	2,495	193	332
Linde PLC	393	159	237
Ryanair Holdings PLC ADR	2,481	174	155
Japan			
Hoya Corp.	900	113	161
ITOCHU Corp.	4,200	234	297
Japan Exchange Group Inc.	17,100	174	273
Keyence Corp.	356	171	208
Sony Group Corp.	11,795	269	358
Jersey			
Glencore Xstrata PLC	26,586	205	169
Netherlands			
Heineken Holdings NV	1,673	160	144
Wolters Kluwer NV	806	98	192
Singapore			
DBS Group Holdings Ltd.	8,070	218	371
Spain			
Amadeus IT Group SA	1,556	126	158

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Sweden			
Assa Abloy AB	4,658	177	197
Atlas Copco AB Class A	6,921	98	152
Switzerland			
Nestle SA	1,688	238	199
Roche Holding AG	875	344	352
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	1,989	266	565
United Kingdom			
AstraZeneca PLC	1,273	230	240
BAE Systems PLC	8,011	190	166
Compass Group PLC	3,384	132	162
Diageo PLC	3,613	169	165
RELX PLC	3,160	183	206
Shell PLC	6,852	265	305
Total Global Common Stock		6,746	8,823
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	340	8	8
Total Global Preferred Stock		8	8
Total Stocks		46,885	60,544

Managed Fund (Laketon) SF035

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7137	January 10, 2025	United States Dollar	893	Canadian Dollar	870	23
1.4993	January 24, 2025	Canadian Dollar	965	Euro	961	4
1.4934	February 14, 2025	Canadian Dollar	60	Euro	60	-
1.4935	February 14, 2025	Canadian Dollar	91	Euro	91	-
1.4809	February 14, 2025	Canadian Dollar	40	Euro	40	-
0.6712	February 14, 2025	Euro	31	Canadian Dollar	31	-
Derivatives - Assets						27
1.3870	January 10, 2025	Canadian Dollar	68	United States Dollar	69	(1)
1.3656	January 10, 2025	Canadian Dollar	1,152	United States Dollar	1,194	(42)
1.3502	January 10, 2025	Canadian Dollar	4,827	United States Dollar	5,044	(217)
1.3762	January 17, 2025	Canadian Dollar	672	United States Dollar	693	(21)
1.3641	January 24, 2025	Canadian Dollar	843	United States Dollar	874	(31)
1.3640	January 24, 2025	Canadian Dollar	8,633	United States Dollar	8,954	(321)
1.3854	February 7, 2025	Canadian Dollar	1,424	United States Dollar	1,460	(36)
1.3859	February 7, 2025	Canadian Dollar	1,749	United States Dollar	1,793	(44)
1.3820	February 14, 2025	Canadian Dollar	1,079	United States Dollar	1,108	(29)
1.4126	February 21, 2025	Canadian Dollar	661	United States Dollar	668	(7)
1.3925	February 21, 2025	Canadian Dollar	5,204	United States Dollar	5,315	(111)
1.3919	February 28, 2025	Canadian Dollar	405	United States Dollar	414	(9)
Derivatives - Liabilities						(869)
Total Forward Currency Contracts						(842)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(1)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 119	CAD 118.91	1
Derivatives - Assets						1
Total Futures Contracts						1

Total Derivative Instruments at Fair Value (841)

Transaction Costs (note 2) (26)

Total Investments 82,955 97,437

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Managed Fund (Laketon) SF035 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 19,150	\$ 1,487	\$ 20,637	\$	206
Euro	2,594	—	2,594		26
Other Currencies	4,462	(1)	4,461		45
Total	\$ 26,206	\$ 1,486	\$ 27,692	\$	277
As Percent of Net Assets Attributable to Contractholders			27.6%		0.3%

*Includes both monetary and non-monetary instruments

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 18,297	\$ 835	\$ 19,132	\$	191
Euro	3,574	23	3,597		36
Other Currencies	4,689	17	4,706		47
Total	\$ 26,560	\$ 875	\$ 27,435	\$	274
As Percent of Net Assets Attributable to Contractholders			27.0%		0.3%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 1,315	\$ 14,367	\$ 11,343	\$ 10,709	\$ 37,734

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 318	\$ 12,073	\$ 16,059	\$ 12,331	\$ 40,781

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$1,788 (\$2,342 at December 31, 2023) or approximately 1.8% (2.3% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	2.1	0.8	4.4	1.8
AA	14.2	5.3	14.4	5.8
A	7.0	2.6	10.7	4.3
BBB	28.7	10.8	28.7	11.5
BB and lower	46.3	17.4	40.4	16.2
NR *	1.7	0.6	1.4	0.6
Total	100.0	37.5	100.0	40.2

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$605 (\$582 at December 31, 2023) or approximately 0.6% (0.6% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 37,720	\$ 14	\$ 37,734
Stocks	56,917	3,627	—	60,544
Derivatives	1	27	—	28
Total assets measured at fair value	\$ 56,918	\$ 41,374	\$ 14	\$ 98,306
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 869	\$ —	\$ 869
Net assets attributable to contractholders measured at fair value	\$ 56,918	\$ 40,505	\$ 14	\$ 97,437

⁽¹⁾ Excludes collateral pledged to counterparties of \$10.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 40,768	\$ 13	\$ 40,781
Stocks	58,165	—	—	58,165
Derivatives	13	585	—	598
Total assets measured at fair value	\$ 58,178	\$ 41,353	\$ 13	\$ 99,544
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 78	\$ —	\$ 78
Net assets attributable to contractholders measured at fair value	\$ 58,178	\$ 41,275	\$ 13	\$ 99,466

⁽¹⁾ Excludes collateral pledged to counterparties of \$69.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

Managed Fund (Laketon) SF035

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification (continued)

The following table presents additional information about assets measured at fair value on a recurring basis and for which the Fund has utilized Level 3 inputs to determine fair value:

	2024	2023
	Bonds	Bonds
Balance, beginning of year	\$ 13	\$ 15
Total gain (loss) included in net assets from operations attributable to contractholders	1	(2)
Purchases	—	—
Sales	—	—
Settlements	—	—
Transfers into Level 3	—	—
Transfers out of Level 3	—	—
Balance, end of year	\$ 14	\$ 13
Total gain (loss) included in net gain (loss) on investments for Level 3 assets held at the end of year	\$ 1	\$ (2)

Managed Fund (Laketon) SF035

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	383,286	429,202	471,760	522,984	594,534	35,574	35,691	36,818	45,431	46,636
Generations/Mosaic	914,147	1,023,651	1,144,539	1,261,467	1,452,531	19,655	19,719	20,692	25,385	26,394
Generations I	514,807	557,564	643,961	725,501	945,472	9,285	9,009	9,764	12,243	14,407
Generations II	88,778	98,357	107,229	115,337	135,297	1,452	1,442	1,476	1,769	1,874
Generations Core	91,105	107,375	115,802	125,404	137,124	1,552	1,634	1,648	1,980	1,949
75/75 guarantee policy	140,309	161,531	178,410	198,173	231,891	2,569	2,641	2,729	3,362	3,541
75/100 guarantee policy	822,263	1,039,033	1,241,219	1,474,428	1,862,612	14,679	16,617	18,628	24,628	28,094
100/100 guarantee policy	28,354	35,322	47,108	50,646	77,109	502	560	702	841	1,156
PS1 75/75 guarantee policy	32,526	34,189	35,128	36,791	25,907	606	567	543	629	397
PS1 75/100 guarantee policy	198,037	222,104	252,048	260,039	288,550	3,621	3,620	3,835	4,382	4,369
PS1 100/100 guarantee policy	58,853	62,594	72,544	74,170	76,137	1,044	992	1,077	1,222	1,129
PS2 75/75 guarantee policy	167,656	182,326	214,959	232,433	298,961	4,128	3,908	4,203	4,916	5,549
PS2 75/100 guarantee policy	233,691	248,714	270,316	297,379	339,764	5,755	5,332	5,285	6,290	6,306
PS 75/75 guarantee policy	—	—	—	37	585	—	—	—	—	6
PS 75/100 guarantee policy	—	1,731	119,259	119,948	120,937	—	20	1,269	1,406	1,266

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	92.81	83.16	78.04	86.87	78.44	9.65	5.12
Generations/Mosaic	21.50	19.26	18.08	20.12	18.17	2.24	1.18
Generations I	18.04	16.16	15.16	16.88	15.24	1.88	1.00
Generations II	16.36	14.66	13.77	15.33	13.85	1.70	0.89
Generations Core	17.04	15.21	14.23	15.79	14.21	1.83	0.98
75/75 guarantee policy	18.31	16.35	15.29	16.97	15.27	1.96	1.06
75/100 guarantee policy	17.85	15.99	15.01	16.70	15.08	1.86	0.98
100/100 guarantee policy	17.70	15.87	14.90	16.60	14.99	1.83	0.97
PS1 75/75 guarantee policy	18.63	16.58	15.46	17.09	15.33	2.05	1.12
PS1 75/100 guarantee policy	18.28	16.30	15.22	16.85	15.14	1.98	1.08
PS1 100/100 guarantee policy	17.75	15.86	14.84	16.47	14.83	1.89	1.02
PS2 75/75 guarantee policy	24.63	21.44	19.55	21.15	18.56	3.19	1.89
PS2 75/100 guarantee policy	24.63	21.44	19.55	21.15	18.56	3.19	1.89
PS 75/75 guarantee policy	—	—	—	11.86	10.55	—	—
PS 75/100 guarantee policy	—	11.47	10.64	11.72	10.47	—	0.83

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Managed Fund (Laketon) SF035

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Managed Fund (Laketon) SF035

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.88	2.85	2.86	2.86	2.86
Generations/Mosaic	2.88	2.85	2.86	2.86	2.86
Generations I	2.87	2.84	2.85	2.86	2.86
Generations II	2.94	2.91	2.91	2.92	2.92
Generations Core	2.55	2.53	2.53	2.53	2.53
75/75 guarantee policy	2.55	2.53	2.53	2.53	2.53
75/100 guarantee policy	2.87	2.84	2.85	2.86	2.86
100/100 guarantee policy	2.94	2.91	2.91	2.92	2.92
PS1 75/75 guarantee policy	2.20	2.18	2.18	2.18	2.19
PS1 75/100 guarantee policy	2.37	2.35	2.35	2.35	2.35
PS1 100/100 guarantee policy	2.59	2.56	2.57	2.57	2.57
PS 75/75 guarantee policy	—	—	—	1.45	1.43
PS 75/100 guarantee policy	—	1.75	1.76	1.77	1.77

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	19.73	61.18	87.70	77.92	48.28

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL BOND FUND (LAKETON) SF036

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Bond Fund (Laketon) SF036 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Bond Fund (Laketon) SF036

(in Canadian \$ thousands)

Fund Manager: Canada Life Asset Management Limited

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,430	\$ 3,680
Investment income due and accrued	762	660
Due from The Canada Life Assurance Company (note 7)	45	53
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	91,732	80,575
Stocks	—	—
Investment fund units	—	—
Total investments	91,732	80,575
Total assets	\$ 93,969	\$ 84,968
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 93,969	\$ 84,968

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,182	\$ 3,905
Miscellaneous income (loss)	49	(159)
Total income (loss)	5,231	3,746
Expenses		
Management fees (note 7)	116	142
Transaction costs	—	—
Withholding taxes	2	(2)
Other	12	19
Total expenses	130	159
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 5,101	\$ 3,587

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 84,968	\$ 95,275
Contractholder deposits	8,333	5,804
Contractholder withdrawals	(4,433)	(19,698)
Increase (decrease) in net assets from operations attributable to contractholders	5,101	3,587
Change in net assets attributable to contractholders	9,001	(10,307)
Net assets attributable to contractholders - end of year	\$ 93,969	\$ 84,968

International Bond Fund (Laketon) SF036

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 5,101	\$ 3,587
Adjustments		
Realized (gains) losses	920	1,786
Unrealized (gains) losses	(3,894)	(3,490)
Gross proceeds of disposition of investments	15,779	27,675
Gross payments for the purchase of investments	(23,962)	(15,682)
Change in investment income due and accrued	(102)	92
Change in due from/to The Canada Life Assurance Company	8	(64)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	(6,150)	13,904
Financing Activities		
Contractholder deposits	8,333	5,804
Contractholder withdrawals	(4,433)	(19,698)
	3,900	(13,894)
Net increase (decrease) in cash, short-term deposits and overdrafts	(2,250)	10
Cash, short-term deposits and overdrafts, beginning of year	3,680	3,670
Cash, short-term deposits and overdrafts, end of year	\$ 1,430	\$ 3,680
Supplementary cash flow information		
Interest income received	\$ 2,093	\$ 2,226

International Bond Fund (Laketon) SF036

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Government of Canada 1.25% 06-01-2030	400,000	374	365
Government of Canada 1.50% 06-01-2026	200,000	191	196
Government of Canada 1.75% 12-01-2053	500,000	338	354
Government of Canada 2.25% 06-01-2029	400,000	379	390
Government of Canada 2.75% 09-01-2027	250,000	247	249
Government of Canada 3.50% 12-01-2045	75,000	75	77
Government of Canada 4.00% 06-01-2041	500,000	528	544
Government of Canada 5.75% 06-01-2033	550,000	752	653
Total Federal Government		2,884	2,828
Total Canadian Bonds		2,884	2,828
United States Bonds			
Federal Government			
United States Treasury 0.50% 10-31-2027	2,100,000	2,449	2,718
United States Treasury 1.375% 08-15-2050	990,000	1,253	695
United States Treasury 1.375% 08-31-2026	1,580,000	2,044	2,169
United States Treasury 1.625% 08-15-2029	340,000	497	434
United States Treasury 1.75% 11-15-2029	2,100,000	2,701	2,679
United States Treasury 1.875% 02-15-2032	1,500,000	1,747	1,815
United States Treasury 2.75% 11-15-2042	1,806,000	2,147	1,942
United States Treasury 2.875% 04-30-2025	1,460,000	2,001	2,090
United States Treasury 3.00% 02-15-2049	1,030,000	1,558	1,079
United States Treasury 3.375% 05-15-2033	1,150,000	1,447	1,520
United States Treasury 3.625% 05-15-2053	950,000	1,248	1,112
United States Treasury 3.875% 05-15-2043	450,000	569	570
United States Treasury 3.875% 08-15-2040	690,000	1,111	894
United States Treasury 4.00% 02-15-2034	1,000,000	1,313	1,377
United States Treasury 4.00% 06-30-2028	650,000	854	925
United States Treasury 4.125% 11-15-2027	400,000	556	573
United States Treasury 4.25% 11-15-2034	500,000	690	701
United States Treasury 4.625% 05-15-2054	200,000	281	280

International Bond Fund (Laketon) SF036

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Federal Government (continued)			
United States Treasury 5.00% 08-31-2025	650,000	877	939
Total Federal Government		25,343	24,512
Corporate - Non-convertible			
AT&T Inc. 2.35% 09-05-2029	660,000	986	957
Berkshire Hathaway Inc. 2.375% 06-19-2039	230,000	383	286
Comcast Corp. 1.875% 02-20-2036	420,000	720	539
JPMorgan Chase & Co. 4.60% 02-01-2025	700,000	879	1,004
Marsh & McLennan Companies Inc. 1.979% 03-21-2030	660,000	994	935
Public Storage REIT 0.875% 01-24-2032	260,000	375	330
Stryker Corp. 3.625% 09-11-2036	450,000	667	676
Total Corporate - Non-convertible		5,004	4,727
Total United States Bonds		30,347	29,239
Global Bonds			
Australia			
Commonwealth of Australia 1.25% 05-21-2032	600,000	445	435
Commonwealth of Australia 1.75% 06-21-2051	300,000	146	144
Commonwealth of Australia 2.50% 05-21-2030	500,000	396	413
Commonwealth of Australia 2.75% 05-21-2041	300,000	206	209
Commonwealth of Australia 3.00% 11-21-2033	300,000	235	241
Commonwealth of Australia 3.25% 04-21-2025	525,000	532	466
Commonwealth of Australia 4.50% 04-21-2033	230,000	228	208
Government of Australia 2.25% 05-21-2028	700,000	694	592
Sydney Airport Finance Company Pty Ltd. 4.125% 04-30-2036	400,000	583	622
France			
AXA SA 1.875% 07-10-2042	770,000	1,096	1,001
AXA SA Floating Rate 01-17-2047	920,000	1,217	1,319
Banque Federative du Credit Mutuel SA 3.875% 06-16-2032	800,000	1,073	1,194
BNP Paribas SA 2.75% 07-25-2028	900,000	1,211	1,328

International Bond Fund (Laketon) SF036

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	<u>Average Cost</u>	<u>Fair Value</u>
Global Bonds (continued)			
France (continued)			
BNP Paribas SA 3.132% 01-20-2033	700,000	875	859
BPCE SA 2.50% 11-30-2032	400,000	673	656
Credit Agricole Assurances 1.50% 10-06-2031	700,000	1,025	899
Credit Agricole SA 0.50% 09-21-2029	700,000	1,043	946
Electricite de France SA 2.625% 12-01-2027	600,000	880	847
Engie SA 5.625% 04-03-2053	300,000	498	501
Republic of France 0.50% 05-25-2025	850,000	1,165	1,256
Republic of France 3.00% 05-25-2054	160,000	202	209
Reseau Ferre de France 5.00% 10-10-2033	167,000	269	279
SCOR SE 5.25% 03-13-2029	1,400,000	1,778	1,791
TotalEnergies Capital International SA 1.994% 04-08-2032	100,000	155	139
TotalEnergies SE 4.50% 08-19-2034	900,000	1,333	1,366
Germany			
Allianz SE 3.20% 10-30-2027	1,400,000	1,768	1,750
Bundesrepub. Deutschland 2.5% 04-07-2044	160,000	294	235
Deutsche Bahn Finance GmbH 1.375% 04-16-2040	490,000	742	554
Federal Republic of Germany 0.25% 02-15-2029	300,000	403	416
Federal Republic of Germany 1.80% 08-15-2053	400,000	492	503
HOWOGE Wohnungsbaugesellschaft mbH 1.125% 11-01-2033	700,000	1,004	846
Merck KGaA 2.875% 06-25-2029	500,000	749	725
Ireland			
Experian Europe DAC 1.56% 05-16-2031	300,000	434	413
Zurich Finance (Ireland) Designated Activity Co. 3.00% 04-19-2031	1,400,000	1,780	1,721
Italy			
Buoni del Tesoro Poliennali 0.35% 02-01-2025	1,090,000	1,658	1,620
Buoni del Tesoro Poliennali 1.25% 12-01-2026	2,100,000	3,156	3,068
Japan			
Asahi Group Holdings Ltd. 0.336% 04-19-2027	800,000	1,197	1,130
Government of Japan 0.10% 09-20-2027	80,000,000	713	721
Government of Japan 0.10% 09-20-2029	101,600,000	1,108	903

International Bond Fund (Laketon) SF036

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Japan (continued)			
Government of Japan 0.10% 12-20-2031	50,000,000	431	434
Government of Japan 0.40% 09-20-2025	239,600,000	2,670	2,192
Government of Japan 0.50% 03-20-2049	100,000,000	1,162	646
Government of Japan 0.50% 12-20-2040	200,000,000	2,117	1,540
Government of Japan 1.20% 03-20-2035	120,100,000	1,222	1,106
Government of Japan 1.50% 03-20-2033	123,700,000	1,229	1,182
Government of Japan 1.80% 09-20-2044	30,000,000	268	271
Government of Japan 1.90% 06-20-2025	77,400,000	1,064	713
Government of Japan 1.90% 09-20-2030	104,600,000	1,559	1,017
Government of Japan 0.10% 06-20-2031	18,000,000	155	157
Government of Japan 1.70% 03-20-2054	80,000,000	755	649
Jersey			
States of Jersey 2.875% 05-06-2052	200,000	315	225
Luxembourg			
AXA Logistics Europe 0.875% 11-15-2029	300,000	429	399
Becton Dickinson Euro Finance Sarl 4.029% 06-07-2036	900,000	1,339	1,383
Medtronic Global Holdings SCA 1.375% 10-15-2040	850,000	1,313	927
Medtronic Global Holdings SCA 3.125% 10-15-2031	750,000	986	1,122
Netherlands			
Alliander NV 4.50% 03-27-2032	450,000	654	696
American Medical Systems Europe BV 1.625% 03-08-2031	600,000	836	819
Cooperatieve Rabobank UA 4.875% 06-29-2029	400,000	554	586
Jab Holdings BV 4.375% 04-25-2034	400,000	585	626
LSEG Netherlands BV 0.25% 04-06-2028	540,000	799	743
Volkswagen International Finance NV 3.748% 12-28-2027	700,000	974	1,007
Supra-National			
Asian Development Bank 2.35% 06-21-2027	120,000,000	1,576	1,148
European Investment Bank 1.90% 01-26-2026	41,400,000	540	384

International Bond Fund (Laketon) SF036

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Sweden			
Vattenfall AB 2.50% 06-29-2083	400,000	689	641
United Kingdom			
Burberry Group PLC 5.75% 06-20-2030	600,000	1,050	1,048
Hammerson PLC 5.875% 10-08-2036	290,000	512	501
HSBC Holdings PLC 2.206% 08-17-2029	900,000	1,127	1,164
Nationwide Building Society 4.375% 04-16-2034	500,000	736	766
NATS (En Route) PLC 1.375% 03-31-2031	648,000	1,108	1,033
NatWest Group PLC 2.105% 11-28-2031	420,000	717	714
Northern Powergrid (Northeast) Ltd. 3.25% 04-01-2052	100,000	114	116
United Kingdom Treasury 3.50% 01-22-2045	350,000	528	506
United Kingdom Treasury 3.75% 10-22-2053	350,000	535	500
United Kingdom Treasury Inflation Index 4.50% 09-07-2034 Real Return	100,000	174	179
Total Global Bonds		64,278	59,665
Total Bonds		97,509	91,732
Total Investments		97,509	91,732

International Bond Fund (Laketon) SF036

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the International Bond Fund (Laketon) SF036 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

International Bond Fund (Laketon) SF036

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 34,120	\$ 50	\$ 34,170	\$ 342
Euro	31,568	345	31,913	319
Japanese Yen	13,063	169	13,232	132
United Kingdom Pound Sterling	7,445	174	7,619	76
Other Currencies	2,708	115	2,823	29
Total	\$ 88,904	\$ 853	\$ 89,757	\$ 898
As Percent of Net Assets Attributable to Contractholders				95.5%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 28,660	\$ 1,548	\$ 30,208	\$ 302
United States Dollar	28,964	150	29,114	291
Japanese Yen	10,748	1,523	12,271	123
United Kingdom Pound Sterling	6,960	93	7,053	71
Other Currencies	2,775	40	2,815	28
Total	\$ 78,107	\$ 3,354	\$ 81,461	\$ 815
As Percent of Net Assets Attributable to Contractholders				95.9%
				1.0%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

International Bond Fund (Laketon) SF036

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 10,280	\$ 30,932	\$ 27,160	\$ 23,360	\$ 91,732

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 2,123	\$ 26,301	\$ 31,658	\$ 20,493	\$ 80,575

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$5,357 (\$5,251 at December 31, 2023) or approximately 5.7% (6.2% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

International Bond Fund (Laketon) SF036

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	5.9	5.7	6.6	6.4
AA	33.8	33.0	32.6	30.9
A	29.1	28.4	29.6	28.1
BBB	27.4	26.8	27.9	26.4
BB and lower	1.6	1.6	1.7	1.6
NR *	2.2	2.1	1.6	1.5
Total	100.0	97.6	100.0	94.9

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>				
Bonds	\$ —	\$ 91,732	\$ —	\$ 91,732
Total assets measured at fair value	\$ —	\$ 91,732	\$ —	\$ 91,732

2023				
Assets Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>				
Bonds	\$ —	\$ 80,575	\$ —	\$ 80,575
Total assets measured at fair value	\$ —	\$ 80,575	\$ —	\$ 80,575

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

International Bond Fund (Laketon) SF036

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	43,874	66,323	73,899	80,390	96,249	690	1,009	1,103	1,379	1,815
Generations/Mosaic	117,079	133,714	164,080	231,530	280,248	1,188	1,312	1,579	2,562	3,409
Generations I	23,975	39,366	47,794	76,396	95,543	298	472	561	1,029	1,413
Generations II	5,038	5,673	5,420	6,164	17,492	63	68	64	84	261
Generations Core	14,066	15,700	16,295	18,979	28,596	180	194	197	262	433
75/75 guarantee policy	28,199	47,976	54,429	76,419	98,459	305	500	554	891	1,257
75/100 guarantee policy	125,594	135,994	164,296	206,324	288,166	1,333	1,394	1,648	2,377	3,643
100/100 guarantee policy	10,290	20,703	29,553	36,282	38,380	108	210	294	414	481
PS1 75/75 guarantee policy	17,895	24,937	53,038	59,830	74,527	205	274	566	728	987
PS1 75/100 guarantee policy	59,293	64,080	85,109	96,740	111,235	671	696	898	1,164	1,460
PS1 100/100 guarantee policy	—	466	7,673	11,843	12,972	—	5	80	140	168
PS2 75/75 guarantee policy	13,964	13,139	12,979	12,802	12,116	196	174	164	182	184
PS2 75/100 guarantee policy	14,568	16,896	12,419	48,162	73,175	204	224	157	683	1,112
PS2 100/100 guarantee policy	—	—	—	1,052	1,072	—	—	—	15	16
PS 75/100 guarantee policy	1,520	1,531	—	4,171	4,108	14	14	—	42	45
PPS 75/100 guarantee policy	8,815	10,080	10,186	19,863	20,072	86	94	92	204	223

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	15.73	15.22	14.92	17.16	18.86	0.51	0.30
Generations/Mosaic	10.14	9.82	9.62	11.07	12.17	0.32	0.20
Generations I	12.41	11.99	11.74	13.48	14.79	0.42	0.25
Generations II	12.47	12.06	11.81	13.56	14.89	0.41	0.25
Generations Core	12.82	12.36	12.07	13.82	15.14	0.46	0.29
75/75 guarantee policy	10.81	10.42	10.18	11.66	12.77	0.39	0.24
75/100 guarantee policy	10.61	10.25	10.03	11.52	12.64	0.36	0.22
100/100 guarantee policy	10.51	10.15	9.95	11.42	12.54	0.36	0.20
PS1 75/75 guarantee policy	11.48	11.00	10.68	12.16	13.25	0.48	0.32
PS1 75/100 guarantee policy	11.32	10.86	10.56	12.04	13.12	0.46	0.30
PS1 100/100 guarantee policy	—	10.65	10.37	11.85	12.94	—	0.28
PS2 75/75 guarantee policy	14.04	13.24	12.66	14.19	15.20	0.80	0.58
PS2 75/100 guarantee policy	14.04	13.24	12.65	14.18	15.20	0.80	0.59
PS2 100/100 guarantee policy	—	—	—	14.18	15.20	—	—
PS 75/100 guarantee policy	9.38	9.01	—	10.02	10.93	0.37	0.24
PPS 75/100 guarantee policy	9.80	9.35	9.04	10.25	11.12	0.45	0.31

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds

Bonds are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

International Bond Fund (Laketon) SF036

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Asset Management Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

International Bond Fund (Laketon) SF036

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.57	2.55	2.56	2.56	2.54
Generations/Mosaic	2.57	2.55	2.56	2.56	2.54
Generations I	2.40	2.38	2.40	2.39	2.38
Generations II	2.46	2.44	2.45	2.46	2.43
Generations Core	2.18	2.16	2.17	2.18	2.16
75/75 guarantee policy	2.18	2.16	2.18	2.17	2.16
75/100 guarantee policy	2.40	2.38	2.39	2.40	2.38
100/100 guarantee policy	2.46	2.44	2.45	2.45	2.44
PS1 75/75 guarantee policy	1.61	1.60	1.60	1.60	1.60
PS1 75/100 guarantee policy	1.72	1.71	1.71	1.71	1.71
PS1 100/100 guarantee policy	—	1.87	1.88	1.88	1.87
PS 75/100 guarantee policy	1.85	1.84	—	1.84	1.83
PPS 75/100 guarantee policy	1.17	1.16	1.17	1.16	1.15

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	16.76	17.28	11.31	51.97	34.73

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
EUROPEAN EQUITY FUND S-037ST

December 31, 2024

Independent Auditor's Report

To the Contractholders of European Equity Fund S-037ST (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

European Equity Fund S-037ST

(in Canadian \$ thousands)

Fund Manager: Setanta Asset Management Limited

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 122	\$ 97
Investment income due and accrued	5	20
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	33	33
Investments		
Bonds	—	—
Stocks	11,698	12,471
Investment fund units	—	—
Total investments	11,698	12,471
Total assets	\$ 11,858	\$ 12,621
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	22	4
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	22	4
Net assets attributable to contractholders	\$ 11,836	\$ 12,617

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,914	\$ 2,189
Miscellaneous income (loss)	—	(6)
Total income (loss)	1,914	2,183
Expenses		
Management fees (note 7)	329	343
Transaction costs	7	1
Withholding taxes	(14)	38
Other	32	33
Total expenses	354	415
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,560	\$ 1,768

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 12,617	\$ 12,740
Contractholder deposits	96	159
Contractholder withdrawals	(2,437)	(2,050)
Increase (decrease) in net assets from operations attributable to contractholders	1,560	1,768
Change in net assets attributable to contractholders	(781)	(123)
Net assets attributable to contractholders - end of year	\$ 11,836	\$ 12,617

European Equity Fund S-037ST

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,560	\$ 1,768
Adjustments		
Realized (gains) losses	(1,011)	277
Unrealized (gains) losses	(510)	(2,049)
Gross proceeds of disposition of investments	3,956	3,279
Gross payments for the purchase of investments	(1,662)	(1,477)
Change in investment income due and accrued	15	(5)
Change in due from/to The Canada Life Assurance Company	18	(21)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	2,366	1,772
Financing Activities		
Contractholder deposits	96	159
Contractholder withdrawals	(2,437)	(2,050)
	(2,341)	(1,891)
Net increase (decrease) in cash, short-term deposits and overdrafts	25	(119)
Cash, short-term deposits and overdrafts, beginning of year	97	216
Cash, short-term deposits and overdrafts, end of year	\$ 122	\$ 97
Supplementary cash flow information		
Dividend income received	\$ 404	\$ 404

European Equity Fund S-037ST

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Consumer Discretionary			
Booking Holdings Inc.	98	253	700
Industrials			
Ferguson Enterprises Inc.	691	109	172
Total United States Common Stock		362	872
Global Common Stock			
Belgium			
Groupe Bruxelles Lambert SA *	2,830	308	278
Bermuda			
Lancashire Holdings Ltd.	36,159	426	429
Liberty Global Ltd. NPV Class C	14,235	338	269
Denmark			
Demant AS	5,021	268	266
France			
Air Liquide SA	1,239	201	290
EssilorLuxottica SA	1,519	321	533
Legrand SA	2,896	451	406
Sanofi SA	4,093	452	571
Germany			
Adidas AG	1,368	446	483
Deutsche Boerse AG	1,380	326	457
GEA Group AG	5,272	205	375
Ireland			
Bank of Ireland Group PLC	31,233	329	410
CRH PLC	5,174	214	690

*The issuer of this security is a related company to the issuer of the Fund.

European Equity Fund S-037ST

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Ireland (continued)			
DCC PLC	7,608	673	705
Kingspan Group PLC	3,052	374	320
Ryanair Holdings PLC ADR	4,940	266	310
Italy			
Eni SPA	12,299	289	242
Sweden			
Telefonaktiebolaget LM Ericsson	39,260	314	456
Switzerland			
Alcon Inc.	3,646	283	444
Nestle SA	2,339	311	276
Novartis AG	3,880	376	543
Sunrise Communications AG ADR	2,847	343	176
The Swatch Group AG	435	228	114
United Kingdom			
BP PLC	31,070	251	220
Diageo PLC	9,526	346	435
GSK PLC	17,618	568	427
Haleon PLC	21,561	110	146
LSL Property Services PLC	44,116	250	241
Unilever PLC	3,848	264	314
Total Global Common Stock		9,531	10,826
Total Stocks		9,893	11,698
Transaction Costs (note 2)		(19)	
Total Investments		9,874	11,698

European Equity Fund S-037ST

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the European Equity Fund S-037ST (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

European Equity Fund S-037ST

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 4,679	\$ 1	\$ 4,680	\$ 47
United Kingdom Pound Sterling	3,293	—	3,293	33
United States Dollar	1,627	—	1,627	16
Swiss Franc	1,377	1	1,378	14
Other Currencies	722	—	722	7
Total	\$ 11,698	\$ 2	\$ 11,700	\$ 117
As Percent of Net Assets Attributable to Contractholders			98.8%	1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 4,576	\$ 6	\$ 4,582	\$ 46
United Kingdom Pound Sterling	3,987	—	3,987	40
United States Dollar	1,969	5	1,974	20
Swiss Franc	1,571	1	1,572	15
Other Currencies	368	—	368	4
Total	\$ 12,471	\$ 12	\$ 12,483	\$ 125
As Percent of Net Assets Attributable to Contractholders			98.9%	1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$117 (\$125 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

European Equity Fund S-037ST

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	8,042	\$ 3,656	\$ —	\$ 11,698
Total assets measured at fair value	\$	8,042	\$ 3,656	\$ —	\$ 11,698

		2023			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	12,471	\$ —	\$ —	\$ 12,471
Total assets measured at fair value	\$	12,471	\$ —	\$ —	\$ 12,471

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

European Equity Fund S-037ST

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	78,632	90,881	103,029	109,918	121,920	2,343	2,392	2,365	2,986	2,993
Generations/Mosaic	297,910	324,605	366,132	403,151	465,373	4,306	4,143	4,076	5,313	5,540
Generations I	31,436	41,711	49,439	59,957	65,766	489	572	592	849	841
Generations II	2,902	5,831	8,679	10,792	12,619	40	71	93	137	146
Generations Core	9,751	12,515	15,052	15,882	17,442	147	166	174	217	215
75/75 guarantee policy	32,059	38,953	47,098	60,095	82,008	640	685	722	1,088	1,339
75/100 guarantee policy	72,408	92,808	113,264	148,688	186,049	1,412	1,598	1,700	2,641	2,985
100/100 guarantee policy	16,679	21,207	21,492	27,632	43,322	307	347	307	469	667
PS1 75/75 guarantee policy	8,573	13,048	14,270	33,314	34,569	202	270	256	702	654
PS1 75/100 guarantee policy	64,610	93,356	110,447	133,827	135,357	1,461	1,859	1,912	2,735	2,492
PS1 100/100 guarantee policy	12,644	13,117	14,821	16,963	21,297	270	248	244	332	377
PS2 75/75 guarantee policy	4,344	4,407	7,471	9,647	9,850	138	120	173	256	229
PS2 75/100 guarantee policy	2,167	4,968	5,079	7,637	8,698	69	136	117	203	202
PS 75/100 guarantee policy	1,035	1,040	1,045	1,051	1,508	12	10	9	11	14

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	29.80	26.32	22.95	27.17	24.55	3.48	3.37
Generations/Mosaic	14.45	12.76	11.13	13.18	11.91	1.69	1.63
Generations I	15.55	13.72	11.97	14.16	12.79	1.83	1.75
Generations II	13.82	12.25	10.72	12.73	11.54	1.57	1.53
Generations Core	15.06	13.28	11.56	13.66	12.32	1.78	1.72
75/75 guarantee policy	19.96	17.60	15.32	18.11	16.33	2.36	2.28
75/100 guarantee policy	19.50	17.21	15.01	17.76	16.04	2.29	2.20
100/100 guarantee policy	18.44	16.34	14.30	16.98	15.39	2.10	2.04
PS1 75/75 guarantee policy	23.55	20.66	17.91	21.07	18.92	2.89	2.75
PS1 75/100 guarantee policy	22.61	19.91	17.31	20.44	18.41	2.70	2.60
PS1 100/100 guarantee policy	21.36	18.89	16.50	19.56	17.70	2.47	2.39
PS2 75/75 guarantee policy	31.90	27.32	23.12	26.55	23.27	4.58	4.20
PS2 75/100 guarantee policy	31.91	27.33	23.13	26.56	23.28	4.58	4.20
PS 75/100 guarantee policy	11.43	9.98	8.60	10.07	9.00	1.45	1.38

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

European Equity Fund S-037ST

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Setanta Asset Management Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

European Equity Fund S-037ST

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	3.05	3.02	3.04	3.03	3.03
Generations/Mosaic	3.05	3.02	3.04	3.04	3.03
Generations I	3.02	2.99	3.01	3.00	3.01
Generations II	3.39	3.35	3.37	3.37	3.37
Generations Core	2.89	2.86	2.87	2.87	2.87
75/75 guarantee policy	2.89	2.86	2.88	2.88	2.87
75/100 guarantee policy	3.02	3.00	3.02	3.01	3.01
100/100 guarantee policy	3.38	3.35	3.37	3.37	3.36
PS1 75/75 guarantee policy	2.43	2.41	2.42	2.41	2.42
PS1 75/100 guarantee policy	2.76	2.73	2.75	2.74	2.74
PS1 100/100 guarantee policy	3.20	3.17	3.19	3.18	3.18
PS 75/100 guarantee policy	1.92	1.91	1.91	1.90	1.91

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	13.59	11.45	5.50	4.36	6.88

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
FAR EAST EQUITY FUND S-038MF

December 31, 2024

Independent Auditor's Report

To the Contractholders of Far East Equity Fund S-038MF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Far East Equity Fund S-038MF

(in Canadian \$ thousands)

Fund Manager: Canada Life Asset Management Limited

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	9	18
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	63	35
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	15,129	15,388
Investment fund units	—	—
Total investments	15,129	15,388
Total assets	\$ 15,201	\$ 15,441
Liabilities		
Overdrafts	\$ 57	\$ 37
Due to The Canada Life Assurance Company (note 7)	—	4
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	57	41
Net assets attributable to contractholders	\$ 15,144	\$ 15,400

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,688	\$ 589
Miscellaneous income (loss)	(3)	(1)
Total income (loss)	2,685	588
Expenses		
Management fees (note 7)	431	475
Transaction costs	6	10
Withholding taxes	28	33
Other	42	45
Total expenses	507	563
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,178	\$ 25

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 15,400	\$ 18,193
Contractholder deposits	114	192
Contractholder withdrawals	(2,548)	(3,010)
Increase (decrease) in net assets from operations attributable to contractholders	2,178	25
Change in net assets attributable to contractholders	(256)	(2,793)
Net assets attributable to contractholders - end of year	\$ 15,144	\$ 15,400

Far East Equity Fund S-038MF

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,178	\$ 25
Adjustments		
Realized (gains) losses	(405)	(114)
Unrealized (gains) losses	(1,899)	19
Gross proceeds of disposition of investments	4,919	4,885
Gross payments for the purchase of investments	(2,356)	(2,035)
Change in investment income due and accrued	9	(7)
Change in due from/to The Canada Life Assurance Company	(4)	(18)
Change in due from/to brokers	(28)	(35)
Change in due from/to outside parties	—	—
	<u>2,414</u>	<u>2,720</u>
Financing Activities		
Contractholder deposits	114	192
Contractholder withdrawals	(2,548)	(3,010)
	<u>(2,434)</u>	<u>(2,818)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(20)	(98)
Cash, short-term deposits and overdrafts, beginning of year	(37)	61
Cash, short-term deposits and overdrafts, end of year	\$ (57)	\$ (37)
Supplementary cash flow information		
Dividend income received	\$ 393	\$ 487

Far East Equity Fund S-038MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Exchange Traded Funds			
iShares MSCI India ETF	18,850	800	1,427
Total United States Common Stock		800	1,427
Global Common Stock			
Australia			
ANZ Group Holdings Ltd.	4,050	112	103
BHP Group Ltd.	8,372	247	295
Commonwealth Bank of Australia	2,460	198	335
CSL Ltd.	800	128	200
Goodman Group REIT	6,550	126	208
Macquarie Group Ltd.	970	98	191
National Australia Bank Ltd.	5,130	136	169
Rio Tinto Ltd.	1,300	129	136
Santos Ltd.	13,400	65	80
Telstra Group Ltd.	23,030	83	82
Transurban Group Stapled Security Units	8,100	111	97
Wesfarmers Ltd.	1,850	78	118
Westpac Banking Corp.	4,830	147	139
Woodside Energy Group Ltd.	4,300	115	94
Cayman Islands			
Alibaba Group Holding Ltd.	33,900	680	517
Anta Sports Products Ltd.	4,600	108	66
Baidu Inc. Class A	2,950	98	45
Chailease Holding Co. Ltd.	8,571	62	42
China Resources Land Ltd.	8,000	51	33
JD.com Inc. Class A	4,550	139	115
KE Holdings Inc. Class A	6,500	54	57
Meituan Class B	9,620	325	270
NetEase Inc.	7,500	188	192
PDD Holdings Inc. ADR	1,020	97	142
Sea Ltd. ADR	400	84	61
Shenzhou International Group Holdings Ltd.	4,600	102	53

Far East Equity Fund S-038MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Cayman Islands (continued)			
Tencent Holdings Ltd.	9,400	369	725
Trip.com Group Ltd.	2,300	110	230
Xiaomi Corp.	20,400	48	130
ZTO Express Cayman Inc.	1,650	76	46
China			
Bank of China Ltd.	130,000	62	96
BYD Co. Ltd.	2,500	95	123
China Construction Bank Corp.	169,000	174	203
China Merchants Bank Co.	13,500	98	100
CITIC Securities Co. Ltd.	21,300	71	84
Industrial and Commercial Bank of China Ltd.	107,000	90	103
PICC Property and Casualty Company Ltd.	12,000	21	27
Ping An Insurance (Group) Co. of China Ltd.	12,000	136	102
Tsingtao Brewery Co. Ltd. Class H	4,000	55	42
France			
Amundi MSCI India UCITS ETF	6,750	322	311
Hong Kong			
AIA Group Ltd.	26,800	252	279
Galaxy Entertainment Group Ltd.	10,000	80	61
Hong Kong Exchanges and Clearing Ltd.	2,800	126	153
iShares Core CSI 300 ETF	89,000	561	461
Link REIT	8,400	77	51
Sun Hung Kai Properties Ltd.	6,500	119	90
Techtronic Industries Co. Ltd.	1,500	27	28
Indonesia			
PT Astra International TBK	134,900	71	59
PT Bank Central Asia TBK	90,800	55	78
PT Bank Negara Indonesia (Persero) TBK	123,600	52	48
PT Bank Rakyat Indonesia (Persero) TBK	176,734	57	64
PT Telekomunikasi Indonesia TBK	256,900	73	62

Far East Equity Fund S-038MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Luxembourg			
Lyxor MSCI AC Asia-Pacific ex-Japan UCITS ETF	400	37	42
Xtrackers MSCI India Swap UCITS ETF	47,300	1,275	1,402
Malaysia			
Malayan Banking BHD	8,400	22	28
Public Bank BHD	51,100	102	75
Philippines			
BDO Unibank Inc.	25,000	71	89
SM Investments Corp.	5,500	115	122
Singapore			
DBS Group Holdings Ltd.	3,670	93	169
Oversea-Chinese Banking Corp. Ltd.	7,500	84	132
Singapore Telecommunications Ltd.	27,300	63	89
United Overseas Bank Ltd.	3,000	76	115
South Korea			
BGF Retail Co. Ltd.	420	63	42
Hyundai Motor Co.	260	55	54
Kakao Corp.	1,040	31	39
KB Financial Group Inc.	900	52	73
Kia Motors Corp.	800	65	78
LG Chem Ltd.	120	65	29
LG Innotek Co. Ltd.	190	49	30
Naver Corp.	210	36	41
POSCO Holdings Inc.	170	58	42
Samsung Electronics Co. Ltd.	9,542	407	493
Samsung SDI Co. Ltd.	120	103	29
SK Hynix Inc.	1,050	88	171
SK Telecom Co. Ltd.	250	14	13
Taiwan			
ASE Technology Holding Co. Ltd.	12,000	42	85

Far East Equity Fund S-038MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Taiwan (continued)			
CTBC Financial Holding Co. Ltd.	56,000	57	96
Delta Electronics Inc.	12,000	147	226
E.Sun Financial Holding Co. Ltd.	34,244	43	40
Hon Hai Precision Industry Co. Ltd.	26,000	97	210
MediaTek Inc.	4,000	85	248
Quanta Computer Inc.	9,000	96	113
Taiwan Semiconductor Manufacturing Co. Ltd.	32,000	282	1,507
Thailand			
Advanced Info Service PCL	2,500	21	30
Central Retail Corp. PCL	21,900	31	31
PTT Exploration and Production PCL	3,600	21	18
Thai Oil PCL - Foreign	23,600	52	28
Total Global Common Stock		11,036	13,625
Global Preferred Stock			
South Korea			
Samsung Electronics Co. Ltd. Preference Shares	1,800	69	77
Total Global Preferred Stock		69	77
Total Stocks		11,905	15,129
Transaction Costs (note 2)		(6)	
Total Investments		11,899	15,129

Far East Equity Fund S-038MF

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Far East Equity Fund S-038MF (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Far East Equity Fund S-038MF

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Hong Kong Dollar	\$ 4,482	\$ —	\$ 4,482	\$ 45
New Taiwan Dollar	2,567	—	2,567	26
Australian Dollar	2,247	—	2,247	22
United States Dollar	1,672	—	1,672	17
Other Currencies	4,161	(34)	4,127	41
Total	\$ 15,129	\$ (34)	\$ 15,095	\$ 151
As Percent of Net Assets Attributable to Contractholders				99.7%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Hong Kong Dollar	\$ 4,431	\$ 1	\$ 4,432	\$ 44
Australian Dollar	2,641	—	2,641	26
New Taiwan Dollar	2,079	—	2,079	21
South Korean Won	1,975	—	1,975	20
Other Currencies	4,262	(2)	4,260	43
Total	\$ 15,388	\$ (1)	\$ 15,387	\$ 154
As Percent of Net Assets Attributable to Contractholders				99.9%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$151 (\$154 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Far East Equity Fund S-038MF

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Stocks	\$ 13,399	\$ 1,730	\$ —	\$ 15,129
Total assets measured at fair value	\$ 13,399	\$ 1,730	\$ —	\$ 15,129

2023				
Assets and Liabilities Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Stocks	\$ 13,387	\$ 2,001	\$ —	\$ 15,388
Total assets measured at fair value	\$ 13,387	\$ 2,001	\$ —	\$ 15,388

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

Far East Equity Fund S-038MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	74,790	92,628	101,812	110,088	130,315	1,422	1,533	1,686	2,096	2,669
Generations/Mosaic	310,413	348,799	413,027	482,964	558,132	5,829	5,701	6,756	9,082	11,291
Generations I	43,549	50,604	67,682	73,808	89,284	915	924	1,235	1,546	2,009
Generations II	43,218	53,450	79,623	97,853	107,522	569	615	919	1,303	1,547
Generations Core	30,935	43,012	47,042	55,498	57,347	456	550	601	812	901
75/75 guarantee policy	44,025	56,735	74,687	81,218	107,127	767	858	1,127	1,404	1,986
75/100 guarantee policy	118,767	145,755	169,222	187,580	232,104	2,031	2,166	2,514	3,199	4,253
100/100 guarantee policy	54,560	63,689	68,514	79,342	89,095	859	876	946	1,263	1,531
PS1 75/75 guarantee policy	25,303	28,242	40,481	91,957	101,552	489	471	672	1,741	2,053
PS1 75/100 guarantee policy	42,344	47,775	54,380	64,394	63,862	775	759	862	1,170	1,245
PS1 100/100 guarantee policy	16,533	18,084	20,037	19,048	19,633	283	270	300	328	364
PS2 75/75 guarantee policy	4,404	4,553	4,438	4,255	4,347	117	102	96	103	109
PS2 75/100 guarantee policy	6,603	7,613	8,051	11,439	12,353	175	170	174	276	310
PS2 100/100 guarantee policy	17,191	17,836	13,772	4,793	4,941	457	399	299	116	124
PS 75/100 guarantee policy	—	603	609	616	622	—	6	6	7	7

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	19.01	16.55	16.56	19.04	20.48	2.46	(0.01)
Generations/Mosaic	18.78	16.34	16.36	18.81	20.23	2.44	(0.02)
Generations I	21.00	18.26	18.25	20.95	22.50	2.74	0.01
Generations II	13.17	11.50	11.55	13.32	14.38	1.67	(0.05)
Generations Core	14.75	12.80	12.77	14.63	15.69	1.95	0.03
75/75 guarantee policy	17.42	15.12	15.09	17.29	18.54	2.30	0.03
75/100 guarantee policy	17.10	14.86	14.85	17.05	18.32	2.24	0.01
100/100 guarantee policy	15.74	13.75	13.81	15.92	17.19	1.99	(0.06)
PS1 75/75 guarantee policy	19.32	16.70	16.59	18.93	20.22	2.62	0.11
PS1 75/100 guarantee policy	18.31	15.89	15.86	18.18	19.50	2.42	0.03
PS1 100/100 guarantee policy	17.13	14.93	14.96	17.23	18.56	2.20	(0.03)
PS2 75/75 guarantee policy	26.57	22.38	21.69	24.13	25.13	4.19	0.69
PS2 75/100 guarantee policy	26.55	22.37	21.67	24.12	25.12	4.18	0.70
PS2 100/100 guarantee policy	26.57	22.39	21.69	24.14	25.14	4.18	0.70
PS 75/100 guarantee policy	—	9.97	9.86	11.20	11.90	—	0.11

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Far East Equity Fund S-038MF

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Asset Management Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Far East Equity Fund S-038MF

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	3.27	3.24	3.25	3.25	3.23
Generations/Mosaic	3.27	3.24	3.25	3.25	3.23
Generations I	3.13	3.10	3.11	3.11	3.09
Generations II	3.60	3.57	3.58	3.57	3.56
Generations Core	2.96	2.93	2.94	2.94	2.92
75/75 guarantee policy	2.97	2.94	2.95	2.95	2.93
75/100 guarantee policy	3.13	3.10	3.11	3.11	3.10
100/100 guarantee policy	3.60	3.57	3.58	3.57	3.56
PS1 75/75 guarantee policy	2.54	2.51	2.52	2.52	2.51
PS1 75/100 guarantee policy	2.98	2.95	2.96	2.95	2.95
PS1 100/100 guarantee policy	3.42	3.39	3.39	3.39	3.37
PS 75/100 guarantee policy	—	2.02	2.02	2.01	2.01

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	15.35	12.08	23.23	18.68	57.67

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
ENHANCED DIVIDEND FUND (LAKETON) SF039

December 31, 2024

Independent Auditor's Report

To the Contractholders of Enhanced Dividend Fund (Laketon) SF039 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Enhanced Dividend Fund (Laketon) SF039

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 7,878	\$ 8,908
Investment income due and accrued	3,450	3,868
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	1,444,189	1,319,291
Investment fund units	—	—
Total investments	1,444,189	1,319,291
Total assets	\$ 1,455,517	\$ 1,332,067
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	757	350
Due to brokers	1,458	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	2,215	350
Net assets attributable to contractholders	\$ 1,453,302	\$ 1,331,717

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 193,424	\$ 85,389
Miscellaneous income (loss)	325	233
Total income (loss)	193,749	85,622
Expenses		
Management fees (note 7)	27,143	26,529
Transaction costs	264	876
Withholding taxes	24	5
Other	2,823	2,722
Total expenses	30,254	30,132
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 163,495	\$ 55,490

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 1,331,717	\$ 1,310,853
Contractholder deposits	117,008	122,970
Contractholder withdrawals	(158,918)	(157,596)
Increase (decrease) in net assets from operations attributable to contractholders	163,495	55,490
Change in net assets attributable to contractholders	121,585	20,864
Net assets attributable to contractholders - end of year	\$ 1,453,302	\$ 1,331,717

Enhanced Dividend Fund (Laketon) SF039

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 163,495	\$ 55,490
Adjustments		
Realized (gains) losses	(45,449)	(138,749)
Unrealized (gains) losses	(93,685)	107,530
Gross proceeds of disposition of investments	254,021	751,714
Gross payments for the purchase of investments	(239,785)	(745,154)
Change in investment income due and accrued	418	1,336
Change in due from/to The Canada Life Assurance Company	407	(175)
Change in due from/to brokers	1,458	—
Change in due from/to outside parties	—	—
	40,880	31,992
Financing Activities		
Contractholder deposits	117,008	122,970
Contractholder withdrawals	(158,918)	(157,596)
	(41,910)	(34,626)
Net increase (decrease) in cash, short-term deposits and overdrafts	(1,030)	(2,634)
Cash, short-term deposits and overdrafts, beginning of year	8,908	11,542
Cash, short-term deposits and overdrafts, end of year	\$ 7,878	\$ 8,908
Supplementary cash flow information		
Dividend income received	\$ 54,193	\$ 55,048

Enhanced Dividend Fund (Laketon) SF039

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	588,390	29,705	26,001
TELUS Corp.	2,009,073	36,928	39,157
TELUS International Inc.	452,282	7,530	2,555
Consumer Discretionary			
BRP Inc.	71,751	5,947	5,253
Dollarama Inc.	47,380	4,380	6,646
Magna International Inc.	259,111	14,768	15,567
Restaurant Brands International Inc.	264,524	21,858	24,783
Consumer Staples			
Alimentation Couche-Tard Inc.	220,653	9,083	17,590
Loblaw Companies Ltd.	192,246	22,907	36,367
Energy			
AltaGas Ltd.	292,350	8,310	9,788
ARC Resources Ltd.	679,248	14,256	17,708
Canadian Natural Resources Ltd.	1,373,451	40,370	60,954
Cenovus Energy Inc.	531,127	12,838	11,573
Enbridge Inc.	1,040,866	50,329	63,503
Pembina Pipeline Corp.	474,703	19,749	25,211
Suncor Energy Inc.	756,286	25,931	38,805
TC Energy Corp.	667,046	36,128	44,685
Tourmaline Oil Corp.	228,502	14,000	15,200
Financials			
Bank of Montreal	584,283	43,436	81,538
Brookfield Asset Management Inc. Class A	295,453	13,373	23,034
Brookfield Corp.	194,466	9,432	16,067
iA Financial Corp. Inc.	219,345	20,227	29,243
Intact Financial Corp.	167,714	33,897	43,896
Manulife Financial Corp.	1,139,092	28,463	50,302
Royal Bank of Canada	719,567	52,847	124,716
Sun Life Financial Inc.	786,870	40,551	67,159

Enhanced Dividend Fund (Laketon) SF039

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials (continued)			
The Bank of Nova Scotia	618,280	34,938	47,725
The Toronto-Dominion Bank	1,142,860	58,489	87,464
Thomson Reuters Corp.	49,784	8,666	11,491
Industrials			
CAE Inc.	236,841	6,571	8,645
Canadian National Railway Co.	297,995	38,434	43,498
Canadian Pacific Kansas City Ltd.	465,401	46,587	48,439
Finning International Inc.	412,124	15,959	15,698
Toromont Industries Ltd.	74,098	8,396	8,420
Waste Connections Inc.	66,486	16,252	16,395
WSP Global Inc.	22,131	4,560	5,598
Information Technology			
CGI Group Inc. Class A sub. voting	56,158	7,753	8,833
Open Text Corp.	271,311	14,477	11,037
Materials			
Agnico Eagle Mines Ltd.	244,128	17,032	27,455
Barrick Gold Corp.	345,576	8,584	7,703
CCL Industries Inc. Class B non-voting	280,233	17,890	20,723
Franco-Nevada Corp.	53,472	9,259	9,032
Nutrien Ltd.	445,227	29,307	28,637
Teck Resources Ltd. Class B	131,007	7,812	7,635
Wheaton Precious Metals Corp.	111,102	9,700	8,989
Real Estate			
Canadian Apartment Properties REIT	278,648	13,197	11,879
Choice Properties REIT	369,263	4,962	4,930
Granite REIT	167,136	13,066	11,659
Utilities			
Emera Inc.	521,795	28,386	28,036

Enhanced Dividend Fund (Laketon) SF039

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Utilities (continued)			
Fortis Inc.	354,695	19,827	21,186
Northland Power Inc.	806,313	20,867	14,433
Total Canadian Common Stock		1,078,214	1,412,841
Global Common Stock			
Bermuda			
Brookfield Infrastructure Partners LP Partnership Units	686,244	31,155	31,348
Total Global Common Stock		31,155	31,348
Total Stocks		1,109,369	1,444,189
Transaction Costs (note 2)		(669)	
Total Investments		1,108,700	1,444,189

Enhanced Dividend Fund (Laketon) SF039

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Enhanced Dividend Fund (Laketon) SF039 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 1,497	\$ 1,497	\$ 15
Total	\$ —	\$ 1,497	\$ 1,497	\$ 15
As Percent of Net Assets Attributable to Contractholders				0.1%
				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 1,517	\$ 1,517	\$ 15
Total	\$ —	\$ 1,517	\$ 1,517	\$ 15
As Percent of Net Assets Attributable to Contractholders				0.1%
				—%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$14,442 (\$13,193 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 1,444,189	\$ —	\$ —	\$ 1,444,189
Total assets measured at fair value	\$ 1,444,189	\$ —	\$ —	\$ 1,444,189

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 1,319,291	\$ —	\$ —	\$ 1,319,291
Total assets measured at fair value	\$ 1,319,291	\$ —	\$ —	\$ 1,319,291

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Enhanced Dividend Fund (Laketon) SF039

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	460,050	523,466	611,770	671,491	738,153	30,994	31,353	35,246	40,138	34,363
Generations/Mosaic	3,414,340	4,024,825	4,652,951	5,083,192	5,855,385	223,890	234,636	260,921	295,736	265,306
Generations I	1,575,393	1,952,796	2,375,569	2,664,635	3,165,843	42,368	46,700	54,659	63,623	58,883
Generations II	518,220	589,921	658,304	702,170	785,783	11,686	11,886	12,822	14,260	12,490
Generations Core	1,005,215	1,171,531	1,324,220	1,470,872	1,717,111	24,855	25,730	27,951	32,183	29,234
75/75 guarantee policy	3,345,591	3,696,559	3,612,334	3,102,125	3,096,813	95,180	93,416	87,737	78,105	60,673
75/100 guarantee policy	10,583,281	11,655,744	11,428,720	10,019,652	10,372,798	297,320	291,191	274,715	249,942	201,568
100/100 guarantee policy	864,866	1,026,731	1,198,067	1,222,857	1,285,289	22,612	23,985	27,055	28,792	23,685
PS1 75/75 guarantee policy	3,167,078	2,887,619	2,465,681	1,810,628	1,472,415	79,811	64,396	52,651	39,930	25,173
PS1 75/100 guarantee policy	14,253,630	13,864,472	13,588,482	10,541,766	9,095,049	349,525	301,532	283,597	227,720	152,645
PS1 100/100 guarantee policy	918,836	1,083,560	1,408,809	1,395,692	1,268,465	21,569	22,634	28,333	29,149	20,651
PS2 75/75 guarantee policy	684,975	715,191	631,059	603,641	624,763	22,659	20,489	16,943	16,383	12,866
PS2 75/100 guarantee policy	1,289,070	1,556,519	1,572,847	1,506,673	1,733,767	42,638	44,586	42,224	40,887	35,700
PS2 100/100 guarantee policy	17,089	20,214	150,391	102,415	60,651	565	579	4,036	2,778	1,248
PS 75/75 guarantee policy	153,879	216,867	167,866	97,434	87,365	2,283	2,827	2,080	1,238	854
PS 75/100 guarantee policy	353,038	399,226	332,847	200,546	178,722	5,201	5,172	4,104	2,538	1,743
PS 100/100 guarantee policy	33,230	34,015	21,288	4,345	4,015	475	429	257	54	39
PPS 75/75 guarantee policy	209,449	173,020	184,862	113,745	98,599	3,184	2,302	2,329	1,464	973
PPS 75/100 guarantee policy	530,481	563,394	453,189	353,971	176,089	7,950	7,405	5,654	4,521	1,728
PPS 100/100 guarantee policy	16,190	15,733	2,814	1,783	842	237	203	35	23	8

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	67.37	59.90	57.61	59.77	46.55	7.47	2.29
Generations/Mosaic	65.57	58.30	56.08	58.18	45.31	7.27	2.22
Generations I	26.89	23.91	23.01	23.88	18.60	2.98	0.90
Generations II	22.55	20.15	19.48	20.31	15.89	2.40	0.67
Generations Core	24.73	21.96	21.11	21.88	17.03	2.77	0.85
75/75 guarantee policy	28.45	25.27	24.29	25.18	19.59	3.18	0.98
75/100 guarantee policy	28.09	24.98	24.04	24.95	19.43	3.11	0.94
100/100 guarantee policy	26.15	23.36	22.58	23.55	18.43	2.79	0.78
PS1 75/75 guarantee policy	25.20	22.30	21.35	22.05	17.10	2.90	0.95
PS1 75/100 guarantee policy	24.52	21.75	20.87	21.60	16.78	2.77	0.88
PS1 100/100 guarantee policy	23.47	20.89	20.11	20.89	16.28	2.58	0.78
PS2 75/75 guarantee policy	33.08	28.65	26.85	27.14	20.59	4.43	1.80
PS2 75/100 guarantee policy	33.08	28.64	26.85	27.14	20.59	4.44	1.79
PS2 100/100 guarantee policy	33.06	28.63	26.83	27.13	20.58	4.43	1.80
PS 75/75 guarantee policy	14.84	13.03	12.39	12.70	9.78	1.81	0.64
PS 75/100 guarantee policy	14.73	12.96	12.33	12.65	9.75	1.77	0.63
PS 100/100 guarantee policy	14.29	12.63	12.07	12.45	9.64	1.66	0.56
PPS 75/75 guarantee policy	15.20	13.30	12.60	12.87	9.87	1.90	0.70
PPS 75/100 guarantee policy	14.99	13.14	12.48	12.77	9.81	1.85	0.66
PPS 100/100 guarantee policy	14.67	12.91	12.29	12.62	9.73	1.76	0.62

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

Group units are available to Canadian Group Registered and Non-Registered Plans, Group Registered Retirement Savings Plans, Deferred Profit Sharing Plans, and certain Money Purchase Plans.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Enhanced Dividend Fund (Laketon) SF039

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Enhanced Dividend Fund (Laketon) SF039

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.63	2.60	2.60	2.60	2.61
Generations/Mosaic	2.63	2.60	2.60	2.61	2.61
Generations I	2.65	2.62	2.63	2.63	2.63
Generations II	3.13	3.10	3.10	3.10	3.10
Generations Core	2.54	2.51	2.52	2.52	2.52
75/75 guarantee policy	2.54	2.52	2.51	2.52	2.52
75/100 guarantee policy	2.65	2.63	2.62	2.63	2.63
100/100 guarantee policy	3.13	3.10	3.10	3.10	3.10
PS1 75/75 guarantee policy	2.16	2.14	2.14	2.14	2.15
PS1 75/100 guarantee policy	2.39	2.36	2.36	2.36	2.37
PS1 100/100 guarantee policy	2.72	2.69	2.69	2.69	2.70
PS 75/75 guarantee policy	1.43	1.42	1.41	1.42	1.42
PS 75/100 guarantee policy	1.54	1.53	1.52	1.53	1.53
PS 100/100 guarantee policy	2.02	2.00	2.00	2.00	2.01
PPS 75/75 guarantee policy	1.05	1.04	1.04	1.04	1.04
PPS 75/100 guarantee policy	1.28	1.26	1.26	1.26	1.27
PPS 100/100 guarantee policy	1.61	1.59	1.59	1.59	1.63

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	17.75	57.02	13.75	7.48	12.65

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL EQUITY FUND (TRIMARK) SF051

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Equity Fund (Trimark) SF051 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Equity Fund (Trimark) SF051

(in Canadian \$ thousands)

Fund Manager: Invesco Canada Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	30
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	63,966	54,491
Total investments	63,966	54,491
Total assets	\$ 63,966	\$ 54,521
Liabilities		
Overdrafts	\$ 14	\$ 30
Due to The Canada Life Assurance Company (note 8)	18	50
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	32	80
Net assets attributable to contractholders	\$ 63,934	\$ 54,441

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 14,272	\$ 10,572
Miscellaneous income (loss)	—	—
Total income (loss)	14,272	10,572
Expenses		
Management fees (note 8)	1,675	1,457
Other	183	160
Total expenses	1,858	1,617
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 12,414	\$ 8,955

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 54,441	\$ 59,766
Contractholder deposits	3,201	3,809
Contractholder withdrawals	(6,122)	(18,089)
Increase (decrease) in net assets from operations attributable to contractholders	12,414	8,955
Change in net assets attributable to contractholders	9,493	(5,325)
Net assets attributable to contractholders - end of year	\$ 63,934	\$ 54,441

Global Equity Fund (Trimark) SF051

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 12,414	\$ 8,955
Adjustments		
Realized (gains) losses	(3,335)	(5,422)
Unrealized (gains) losses	(6,175)	86
Gross proceeds of disposition of investments	10,134	19,015
Gross payments for the purchase of investments	(5,337)	(3,141)
Distribution income of underlying mutual fund	(4,762)	(5,236)
Change in due from/to The Canada Life Assurance Company	(32)	29
Change in due from/to brokers	30	(5)
	<u>2,937</u>	<u>14,281</u>
Financing Activities		
Contractholder deposits	3,201	3,809
Contractholder withdrawals	(6,122)	(18,089)
	<u>(2,921)</u>	<u>(14,280)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	16	1
Cash, short-term deposits and overdrafts, beginning of year	(30)	(31)
Cash, short-term deposits and overdrafts, end of year	\$ (14)	\$ (30)

Global Equity Fund (Trimark) SF051

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Invesco Global Companies Fund Series I	654,190	44,425	63,966
Total Investments		44,425	63,966

Top 25 Holdings

Security Description	% of Total
Microsoft Corp.	6.56%
Amazon.com Inc.	3.78%
Canadian Dollar Cash Management Fund Series I	3.65%
Apple Inc.	3.04%
3i Group PLC	2.98%
Mastercard Inc. Class A	2.93%
Thermo Fisher Scientific Inc.	2.84%
NVIDIA Corp.	2.77%
RELX PLC	2.60%
Broadcom Inc.	2.48%
O'Reilly Automotive Inc.	2.34%
Tencent Holdings Ltd.	2.24%
Unilever PLC	2.14%
Canadian Pacific Kansas City Ltd.	2.12%
Marsh & McLennan Companies Inc.	2.11%
Taiwan Semiconductor Manufacturing Co. Ltd.	2.11%
Constellation Software Inc.	2.09%
Meta Platforms Inc.	1.98%
Alphabet Inc. Class A	1.96%
Berkshire Hathaway Inc. Class B	1.96%
The Coca-Cola Co.	1.90%
Linde PLC	1.84%
Texas Instruments Inc.	1.81%
Accenture PLC Class A	1.66%
Danaher Corp.	1.66%

Global Equity Fund (Trimark) SF051

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	519,221	579,304	669,156	757,929	868,800	18,797	17,113	17,062	23,873	24,454
Generations I	73,450	89,151	101,234	113,989	137,140	2,007	1,980	1,933	2,678	2,868
Generations II	5,302	5,331	5,769	13,187	8,281	119	98	91	258	145
Generations Core	38,681	44,985	46,522	55,092	52,198	954	901	800	1,163	979
75/75 guarantee policy	127,046	130,568	123,935	138,770	146,345	4,432	3,696	3,011	4,142	3,882
75/100 guarantee policy	349,076	406,381	416,960	438,139	501,858	11,882	11,243	9,919	12,826	13,077
100/100 guarantee policy	65,063	65,716	68,472	72,926	75,311	2,092	1,724	1,551	2,041	1,883
PS1 75/75 guarantee policy	83,391	71,366	85,024	75,091	57,598	2,756	1,904	1,937	2,091	1,418
PS1 75/100 guarantee policy	433,716	374,456	340,670	332,845	268,588	13,733	9,603	7,486	8,969	6,420
PS1 100/100 guarantee policy	33,978	46,773	33,915	29,602	28,706	1,017	1,139	711	764	660
PS2 75/75 guarantee policy	34,231	27,432	34,053	34,499	35,294	1,583	997	1,029	1,241	1,093
PS2 75/100 guarantee policy	88,074	102,731	109,865	109,891	106,141	4,072	3,733	3,320	3,952	3,287
PS2 100/100 guarantee policy	113	117	120	124	127	5	4	4	4	4
PS 75/75 guarantee policy	4,794	3,321	3,335	3,153	914	74	41	35	40	10
PS 75/100 guarantee policy	2,640	4,218	4,243	6,077	740	40	52	44	77	8
PPS 75/75 guarantee policy	15,679	8,791	1,920	2,219	—	250	112	21	29	—
PPS 75/100 guarantee policy	7,749	8,097	8,029	5,709	—	121	101	85	73	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	36.20	29.54	25.50	31.50	28.15	6.66	4.04
Generations I	27.32	22.21	19.09	23.50	20.92	5.11	3.12
Generations II	22.48	18.35	15.84	19.56	17.48	4.13	2.51
Generations Core	24.67	20.02	17.19	21.11	18.76	4.65	2.83
75/75 guarantee policy	34.88	28.30	24.30	29.85	26.53	6.58	4.00
75/100 guarantee policy	34.04	27.67	23.79	29.27	26.06	6.37	3.88
100/100 guarantee policy	32.16	26.24	22.65	27.98	25.00	5.92	3.59
PS1 75/75 guarantee policy	33.05	26.68	22.78	27.84	24.62	6.37	3.90
PS1 75/100 guarantee policy	31.66	25.65	21.97	26.95	23.90	6.01	3.68
PS1 100/100 guarantee policy	29.94	24.36	20.96	25.82	23.01	5.58	3.40
PS2 75/75 guarantee policy	46.24	36.34	30.22	35.97	30.97	9.90	6.12
PS2 75/100 guarantee policy	46.24	36.34	30.22	35.97	30.97	9.90	6.12
PS2 100/100 guarantee policy	46.17	36.29	30.18	35.91	30.92	9.88	6.11
PS 75/75 guarantee policy	15.47	12.42	10.54	12.81	11.26	3.05	1.88
PS 75/100 guarantee policy	15.31	12.31	10.47	12.74	11.21	3.00	1.84
PPS 75/75 guarantee policy	15.91	12.70	10.73	12.97	—	3.21	1.97
PPS 75/100 guarantee policy	15.58	12.48	10.57	12.82	—	3.10	1.91

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Equity Fund (Trimark) SF051 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Equity Fund (Trimark) SF051

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Equity Fund (Trimark) SF051

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.75	3.72	3.73	3.72	3.72
Generations I	3.36	3.34	3.35	3.34	3.33
Generations II	3.75	3.72	3.73	3.71	3.72
Generations Core	3.20	3.17	3.18	3.16	3.17
75/75 guarantee policy	3.20	3.17	3.18	3.17	3.17
75/100 guarantee policy	3.36	3.34	3.34	3.34	3.33
100/100 guarantee policy	3.75	3.72	3.73	3.72	3.72
PS1 75/75 guarantee policy	2.68	2.66	2.66	2.65	2.65
PS1 75/100 guarantee policy	3.01	2.99	2.99	2.98	2.98
PS1 100/100 guarantee policy	3.46	3.43	3.43	3.42	3.42
PS 75/75 guarantee policy	2.08	2.06	2.07	2.05	2.06
PS 75/100 guarantee policy	2.25	2.23	2.24	2.23	2.24
PPS 75/75 guarantee policy	1.56	1.55	1.56	1.53	—
PPS 75/100 guarantee policy	1.90	1.88	1.88	1.86	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	8.87	5.16	4.72	4.11	23.78

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (TRIMARK) SF052

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (Trimark) SF052 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (Trimark) SF052

(in Canadian \$ thousands)

Fund Manager: Fiera Capital Corporation

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	5,765	5,698
Total investments	5,765	5,698
Total assets	\$ 5,765	\$ 5,698
Liabilities		
Overdrafts	\$ —	\$ 3
Due to The Canada Life Assurance Company (note 8)	5	1
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	4
Net assets attributable to contractholders	\$ 5,760	\$ 5,694

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,046	\$ 778
Miscellaneous income (loss)	—	—
Total income (loss)	1,046	778
Expenses		
Management fees (note 8)	175	168
Other	19	18
Total expenses	194	186
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 852	\$ 592

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 5,694	\$ 5,625
Contractholder deposits	27	102
Contractholder withdrawals	(813)	(625)
Increase (decrease) in net assets from operations attributable to contractholders	852	592
Change in net assets attributable to contractholders	66	69
Net assets attributable to contractholders - end of year	\$ 5,760	\$ 5,694

Canadian Equity Fund (Trimark) SF052

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 852	\$ 592
Adjustments		
Realized (gains) losses	(333)	(176)
Unrealized (gains) losses	(594)	(482)
Gross proceeds of disposition of investments	1,038	861
Gross payments for the purchase of investments	(59)	(111)
Distribution income of underlying mutual fund	(119)	(120)
Change in due from/to The Canada Life Assurance Company	4	(2)
Change in due from/to brokers	—	10
	<u>789</u>	<u>572</u>
Financing Activities		
Contractholder deposits	27	102
Contractholder withdrawals	(813)	(625)
	<u>(786)</u>	<u>(523)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	3	49
Cash, short-term deposits and overdrafts, beginning of year	(3)	(52)
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ (3)

Canadian Equity Fund (Trimark) SF052

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fiera Canadian Dividend Plus Fund Series F	175,510	3,744	5,765
Total Investments		3,744	5,765

Top 25 Holdings

Security Description	% of Total
Constellation Software Inc.	5.12%
Visa Inc. Class A	4.91%
Costco Wholesale Corp.	4.58%
Royal Bank of Canada	4.57%
The TJX Companies Inc.	4.21%
Loblaw Companies Ltd.	4.19%
Dollarama Inc.	4.14%
TMX Group Ltd.	3.87%
Metro Inc.	3.84%
Intact Financial Corp.	3.74%
Canadian Pacific Kansas City Ltd.	3.64%
McDonald's Corp.	3.48%
National Bank of Canada	3.46%
Thomson Reuters Corp.	3.21%
Alimentation Couche-Tard Inc.	3.20%
Bank of Montreal	3.17%
CGI Group Inc. Class A sub. voting	3.14%
PepsiCo Inc.	3.09%
FactSet Research Systems Inc.	3.03%
Accenture PLC	3.01%
Toromont Industries Ltd.	2.72%
Restaurant Brands International Inc.	2.70%
TELUS Corp.	2.61%
Unilever PLC	2.51%
Canadian National Railway Co.	2.38%

Canadian Equity Fund (Trimark) SF052

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	125,393	139,422	154,427	175,407	203,575	3,337	3,223	3,224	3,839	3,637
Generations I	19,478	21,959	25,036	26,322	29,043	327	319	328	361	324
Generations II	5,276	5,203	5,349	5,535	5,258	84	72	67	73	56
Generations Core	10,309	11,402	11,555	11,879	13,999	178	170	155	165	158
75/75 guarantee policy	12,012	13,177	13,664	14,304	17,398	234	222	206	225	222
75/100 guarantee policy	10,004	16,722	20,277	23,402	25,840	186	270	295	356	320
100/100 guarantee policy	19,040	34,462	38,208	48,499	53,474	342	538	539	717	646
PS1 75/75 guarantee policy	7,151	6,715	3,823	3,314	1,620	149	120	61	55	22
PS1 75/100 guarantee policy	8,617	8,312	7,477	7,885	12,863	175	145	117	128	169
PS1 100/100 guarantee policy	30,151	26,861	31,567	34,391	37,848	585	450	475	539	482
PS2 75/100 guarantee policy	2,840	3,362	3,441	5,825	6,595	81	80	71	122	109
PS2 100/100 guarantee policy	2,886	3,561	4,228	5,589	5,760	82	85	87	117	95

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	26.61	23.11	20.88	21.89	17.87	3.50	2.23
Generations I	16.79	14.55	13.11	13.72	11.17	2.24	1.44
Generations II	15.95	13.86	12.51	13.12	10.71	2.09	1.35
Generations Core	17.28	14.91	13.38	13.93	11.30	2.37	1.53
75/75 guarantee policy	19.50	16.82	15.10	15.72	12.75	2.68	1.72
75/100 guarantee policy	18.61	16.13	14.54	15.21	12.39	2.48	1.59
100/100 guarantee policy	17.98	15.62	14.11	14.79	12.08	2.36	1.51
PS1 75/75 guarantee policy	20.82	17.87	15.96	16.54	13.35	2.95	1.91
PS1 75/100 guarantee policy	20.24	17.42	15.59	16.20	13.10	2.82	1.83
PS1 100/100 guarantee policy	19.41	16.76	15.05	15.69	12.73	2.65	1.71
PS2 75/100 guarantee policy	28.34	23.74	20.68	20.91	16.46	4.60	3.06
PS2 100/100 guarantee policy	28.34	23.74	20.68	20.91	16.46	4.60	3.06

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Equity Fund (Trimark) SF052 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Equity Fund (Trimark) SF052

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Equity Fund (Trimark) SF052

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.65	3.62	3.63	3.62	3.62
Generations I	3.43	3.40	3.41	3.40	3.40
Generations II	3.65	3.62	3.63	3.61	3.62
Generations Core	2.98	2.96	2.97	2.96	2.96
75/75 guarantee policy	2.98	2.96	2.97	2.96	2.96
75/100 guarantee policy	3.43	3.40	3.41	3.40	3.40
100/100 guarantee policy	3.65	3.62	3.63	3.62	3.62
PS1 75/75 guarantee policy	2.50	2.47	2.48	2.47	2.49
PS1 75/100 guarantee policy	2.72	2.69	2.71	2.71	2.70
PS1 100/100 guarantee policy	3.06	3.02	3.04	3.03	3.04

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.52	2.49	2.50	2.47	2.49
PS1 75/100 guarantee policy	2.74	2.71	2.73	2.71	2.70
PS1 100/100 guarantee policy	3.08	3.04	3.06	3.03	3.04

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	1.00	1.95	1.93	3.41	3.60

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (TRIMARK) SF054

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (Trimark) SF054 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (Trimark) SF054

(in Canadian \$ thousands)

Fund Manager: Invesco Canada Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 7	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	175	221
Due from brokers	—	266
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	325,553	272,746
Total investments	325,553	272,746
Total assets	\$ 325,735	\$ 273,233
Liabilities		
Overdrafts	\$ —	\$ 42
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	42
Net assets attributable to contractholders	\$ 325,735	\$ 273,191

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 28,993	\$ 44,749
Miscellaneous income (loss)	—	—
Total income (loss)	28,993	44,749
Expenses		
Management fees (note 8)	7,698	6,132
Other	826	657
Total expenses	8,524	6,789
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 20,469	\$ 37,960

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 273,191	\$ 221,567
Contractholder deposits	72,577	48,970
Contractholder withdrawals	(40,502)	(35,306)
Increase (decrease) in net assets from operations attributable to contractholders	20,469	37,960
Change in net assets attributable to contractholders	52,544	51,624
Net assets attributable to contractholders - end of year	\$ 325,735	\$ 273,191

Balanced Fund (Trimark) SF054

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 20,469	\$ 37,960
Adjustments		
Realized (gains) losses	(3,690)	(2,797)
Unrealized (gains) losses	(3,515)	(31,399)
Gross proceeds of disposition of investments	18,285	18,734
Gross payments for the purchase of investments	(42,099)	(25,326)
Distribution income of underlying mutual fund	(21,788)	(10,553)
Change in due from/to The Canada Life Assurance Company	46	(220)
Change in due from/to brokers	266	(41)
	<u>(32,026)</u>	<u>(13,642)</u>
Financing Activities		
Contractholder deposits	72,577	48,970
Contractholder withdrawals	(40,502)	(35,306)
	<u>32,075</u>	<u>13,664</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	49	22
Cash, short-term deposits and overdrafts, beginning of year	(42)	(64)
Cash, short-term deposits and overdrafts, end of year	\$ 7	\$ (42)

Balanced Fund (Trimark) SF054

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Invesco Income Growth Fund Series I	13,382,382	270,462	325,553
Total Investments		270,462	325,553

Top 25 Holdings

Security Description	% of Total
Brookfield Corp.	5.31%
Royal Bank of Canada	3.99%
ICON PLC	3.44%
Aon PLC	2.93%
ATS Corp.	2.82%
The Toronto-Dominion Bank	2.79%
TELUS Corp.	2.78%
UnitedHealth Group Inc.	2.68%
Fairfax Financial Holdings Ltd. sub. voting	2.60%
Canadian Natural Resources Ltd.	2.58%
Berkshire Hathaway Inc. Class B	2.51%
CDW Corp.	2.20%
Ashtead Group PLC	2.10%
CGI Group Inc. Class A sub. voting	2.07%
Deere & Co.	2.05%
Canadian Pacific Kansas City Ltd.	2.01%
Alphabet Inc. Class C	1.97%
Marriott International Inc. Class A	1.93%
Colliers International Group Inc.	1.91%
Open Text Corp.	1.87%
CCL Industries Inc. Class B non-voting	1.84%
Brookfield Asset Management Inc. Class A	1.76%
BRP Inc.	1.69%
Liberty Broadband Corp. non-voting	1.62%
Dollar General Corp.	1.58%

Balanced Fund (Trimark) SF054

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	886,929	1,008,110	1,188,819	1,304,589	1,321,583	31,463	33,685	34,224	45,519	37,021
Generations I	540,918	679,445	804,705	995,667	1,081,351	11,806	13,897	14,109	21,051	18,262
Generations II	71,418	66,563	76,442	89,772	93,230	1,451	1,270	1,252	1,776	1,476
Generations Core	81,830	94,871	118,614	131,375	134,170	1,733	1,880	2,011	2,682	2,185
75/75 guarantee policy	978,778	810,661	771,980	702,776	530,933	22,816	17,682	14,411	15,796	9,517
75/100 guarantee policy	6,559,362	5,832,242	5,150,449	4,392,442	2,753,511	150,831	125,679	95,136	97,839	48,991
100/100 guarantee policy	201,335	211,651	238,202	242,298	138,256	4,506	4,447	4,297	5,280	2,410
PS1 75/75 guarantee policy	697,383	480,515	385,188	317,976	186,569	16,740	10,736	7,328	7,246	3,373
PS1 75/100 guarantee policy	2,299,769	1,826,074	1,576,580	1,263,967	713,248	54,160	40,097	29,525	28,401	12,737
PS1 100/100 guarantee policy	207,469	175,304	112,919	280,326	76,666	4,742	3,744	2,061	6,154	1,341
PS2 75/75 guarantee policy	97,790	76,534	79,312	83,097	24,526	3,149	2,241	1,932	2,369	542
PS2 75/100 guarantee policy	214,129	203,320	218,674	198,551	145,042	6,904	5,961	5,334	5,668	3,210
PS2 100/100 guarantee policy	1,807	1,807	—	—	—	58	53	—	—	—
PS 75/75 guarantee policy	28,519	23,225	18,737	19,823	6,743	424	320	218	275	74
PS 75/100 guarantee policy	786,370	696,923	802,614	496,718	125,443	11,586	9,516	9,291	6,858	1,368
PPS 75/75 guarantee policy	55,763	25,465	26,045	24,085	11,382	853	358	309	338	125
PPS 75/100 guarantee policy	165,993	116,438	10,977	4,125	3,409	2,513	1,625	129	58	37

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	35.47	33.41	28.79	34.89	28.01	2.06	4.62
Generations I	21.83	20.45	17.53	21.14	16.89	1.38	2.92
Generations II	20.32	19.07	16.38	19.78	15.83	1.25	2.69
Generations Core	21.18	19.81	16.96	20.42	16.28	1.37	2.85
75/75 guarantee policy	23.31	21.81	18.67	22.48	17.93	1.50	3.14
75/100 guarantee policy	22.99	21.55	18.47	22.27	17.79	1.44	3.08
100/100 guarantee policy	22.38	21.01	18.04	21.79	17.43	1.37	2.97
PS1 75/75 guarantee policy	24.00	22.34	19.02	22.79	18.08	1.66	3.32
PS1 75/100 guarantee policy	23.55	21.96	18.73	22.47	17.86	1.59	3.23
PS1 100/100 guarantee policy	22.86	21.36	18.26	21.95	17.49	1.50	3.10
PS2 75/75 guarantee policy	32.20	29.28	24.36	28.51	22.10	2.92	4.92
PS2 75/100 guarantee policy	32.24	29.32	24.39	28.55	22.13	2.92	4.93
PS2 100/100 guarantee policy	32.01	29.11	—	—	—	2.90	4.89
PS 75/75 guarantee policy	14.88	13.77	11.66	13.88	10.95	1.11	2.11
PS 75/100 guarantee policy	14.73	13.65	11.58	13.81	10.91	1.08	2.07
PPS 75/75 guarantee policy	15.30	14.08	11.86	14.05	11.03	1.22	2.22
PPS 75/100 guarantee policy	15.14	13.96	11.77	13.97	10.98	1.18	2.19

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Fund (Trimark) SF054 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Balanced Fund (Trimark) SF054

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Balanced Fund (Trimark) SF054

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.52	3.50	3.50	3.50	3.50
Generations I	3.01	2.99	2.99	2.99	2.99
Generations II	3.18	3.15	3.16	3.16	3.18
Generations Core	2.86	2.83	2.84	2.84	2.84
75/75 guarantee policy	2.86	2.83	2.83	2.83	2.84
75/100 guarantee policy	3.01	2.99	2.98	2.98	2.99
100/100 guarantee policy	3.18	3.15	3.16	3.14	3.16
PS1 75/75 guarantee policy	2.34	2.32	2.32	2.31	2.32
PS1 75/100 guarantee policy	2.51	2.48	2.48	2.48	2.50
PS1 100/100 guarantee policy	2.73	2.71	2.71	2.71	2.71
PS 75/75 guarantee policy	1.74	1.73	1.73	1.72	1.73
PS 75/100 guarantee policy	1.90	1.88	1.88	1.87	1.88
PPS 75/75 guarantee policy	1.22	1.21	1.21	1.21	1.22
PPS 75/100 guarantee policy	1.39	1.38	1.37	1.38	1.41

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.99	7.74	10.35	2.86	5.23

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INDEXED CANADIAN BOND FUND (TDQC) SF079

December 31, 2024

Independent Auditor's Report

To the Contractholders of Indexed Canadian Bond Fund (TDQC) SF079 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Indexed Canadian Bond Fund (TDQC) SF079

(in Canadian \$ thousands)

Fund Manager: TD Asset Management Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 7	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	7,875	9,387
Total investments	7,875	9,387
Total assets	\$ 7,882	\$ 9,387
Liabilities		
Overdrafts	\$ —	\$ 3
Due to The Canada Life Assurance Company (note 8)	1	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	1	3
Net assets attributable to contractholders	\$ 7,881	\$ 9,384

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 310	\$ 621
Miscellaneous income (loss)	—	—
Total income (loss)	310	621
Expenses		
Management fees (note 8)	154	184
Other	17	19
Total expenses	171	203
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 139	\$ 418

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 9,384	\$ 10,911
Contractholder deposits	61	100
Contractholder withdrawals	(1,703)	(2,045)
Increase (decrease) in net assets from operations attributable to contractholders	139	418
Change in net assets attributable to contractholders	(1,503)	(1,527)
Net assets attributable to contractholders - end of year	\$ 7,881	\$ 9,384

Indexed Canadian Bond Fund (TDQC) SF079

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 139	\$ 418
Adjustments		
Realized (gains) losses	241	332
Unrealized (gains) losses	(269)	(633)
Gross proceeds of disposition of investments	1,881	2,173
Gross payments for the purchase of investments	(59)	(32)
Distribution income of underlying mutual fund	(282)	(320)
Change in due from/to The Canada Life Assurance Company	1	6
Change in due from/to brokers	—	7
	<u>1,652</u>	<u>1,951</u>
Financing Activities		
Contractholder deposits	61	100
Contractholder withdrawals	(1,703)	(2,045)
	<u>(1,642)</u>	<u>(1,945)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	10	6
Cash, short-term deposits and overdrafts, beginning of year	(3)	(9)
Cash, short-term deposits and overdrafts, end of year	\$ 7	\$ (3)

Indexed Canadian Bond Fund (TDQC) SF079

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
TD Emerald Canadian Bond Index Fund Class B	680,500	8,686	7,875
Total Investments		8,686	7,875

Top 25 Holdings

Security Description	% of Total
Government of Canada 3.25% 12-01-2034	1.82%
Government of Canada 3.50% 09-01-2029	1.51%
Government of Canada 4.00% 03-01-2029	1.40%
Government of Canada 4.50% 02-01-2026	1.36%
Government of Canada 1.50% 06-01-2031	1.33%
Government of Canada 1.50% 12-01-2031	1.31%
Government of Canada 1.25% 06-01-2030	1.23%
Government of Canada 3.25% 09-01-2028	1.16%
Government of Canada 2.75% 12-01-2055	1.15%
Government of Canada 2.00% 06-01-2032	1.14%
Government of Canada 0.50% 12-01-2030	1.11%
Government of Canada 3.25% 12-01-2033	1.11%
Government of Canada 3.00% 06-01-2034	1.08%
Government of Canada 2.50% 12-01-2032	0.92%
Government of Canada 1.00% 09-01-2026	0.90%
Government of Canada 3.50% 03-01-2028	0.87%
Government of Canada 2.00% 12-01-2051	0.85%
Government of Canada 2.75% 06-01-2033	0.83%
Government of Canada 4.00% 08-01-2026	0.82%
Government of Canada 1.75% 12-01-2053	0.79%
Government of Canada 3.25% 11-01-2026	0.69%
Province of Ontario 4.15% 06-02-2034	0.64%
Province of Ontario 3.75% 06-02-2032	0.62%
Government of Canada 4.00% 05-01-2026	0.60%
Province of Ontario 3.65% 06-02-2033	0.58%

Indexed Canadian Bond Fund (TDQC) SF079

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	151,602	179,305	211,930	268,479	302,243	2,468	2,873	3,261	4,792	5,675
Generations I	90,160	102,113	122,252	138,607	174,689	1,162	1,290	1,478	1,936	2,557
Generations II	10,230	10,305	24,562	26,455	34,448	124	123	280	349	476
Generations Core	57,458	69,464	81,518	95,536	110,634	714	846	949	1,285	1,558
75/75 guarantee policy	80,118	117,103	133,607	147,721	176,844	918	1,315	1,435	1,832	2,297
75/100 guarantee policy	60,080	77,384	99,473	117,300	154,674	683	862	1,060	1,444	1,996
100/100 guarantee policy	26,030	37,051	70,550	73,774	107,483	293	408	745	900	1,375
PS1 75/75 guarantee policy	63,889	63,998	63,649	71,173	68,137	712	695	657	844	841
PS1 75/100 guarantee policy	67,177	67,823	71,578	91,547	120,938	744	732	735	1,080	1,487
PS1 100/100 guarantee policy	4,897	21,587	29,763	30,992	27,466	53	230	301	361	334
PS2 75/75 guarantee policy	774	789	804	820	836	10	10	10	11	12
PS2 100/100 guarantee policy	—	—	—	526	13,360	—	—	—	7	186
PPS 100/100 guarantee policy	—	—	—	—	253	—	—	—	—	3

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	16.28	16.02	15.39	17.85	18.78	0.26	0.63
Generations I	12.89	12.64	12.09	13.97	14.64	0.25	0.55
Generations II	12.14	11.91	11.40	13.18	13.82	0.23	0.51
Generations Core	12.43	12.18	11.65	13.45	14.09	0.25	0.53
75/75 guarantee policy	11.46	11.23	10.74	12.40	12.99	0.23	0.49
75/100 guarantee policy	11.36	11.14	10.65	12.31	12.90	0.22	0.49
100/100 guarantee policy	11.24	11.02	10.55	12.20	12.79	0.22	0.47
PS1 75/75 guarantee policy	11.14	10.85	10.32	11.85	12.34	0.29	0.53
PS1 75/100 guarantee policy	11.08	10.80	10.27	11.80	12.30	0.28	0.53
PS1 100/100 guarantee policy	10.90	10.63	10.13	11.65	12.15	0.27	0.50
PS2 75/75 guarantee policy	13.29	12.76	11.97	13.55	13.91	0.53	0.79
PS2 100/100 guarantee policy	—	—	—	13.52	13.89	—	—
PPS 100/100 guarantee policy	—	—	—	—	11.38	—	—

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Indexed Canadian Bond Fund (TDQC) SF079 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Indexed Canadian Bond Fund (TDQC) SF079

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Indexed Canadian Bond Fund (TDQC) SF079

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.45	2.42	2.42	2.42	2.41
Generations I	2.06	2.03	2.03	2.03	2.02
Generations II	2.11	2.09	2.09	2.09	2.08
Generations Core	2.00	1.97	1.98	1.98	1.97
75/75 guarantee policy	2.00	1.97	1.98	1.98	1.97
75/100 guarantee policy	2.06	2.03	2.03	2.04	2.03
100/100 guarantee policy	2.11	2.09	2.09	2.09	2.08
PS1 75/75 guarantee policy	1.43	1.41	1.41	1.40	1.39
PS1 75/100 guarantee policy	1.48	1.46	1.46	1.46	1.45
PS1 100/100 guarantee policy	1.59	1.57	1.57	1.57	1.56
PPS 100/100 guarantee policy	—	—	—	—	1.02

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.78	0.32	0.98	1.13	6.69

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (AGF) SF101

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (AGF) SF101 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (AGF) SF101

(in Canadian \$ thousands)

Fund Manager: AGF Investments Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	4,177	4,304
Total investments	4,177	4,304
Total assets	\$ 4,177	\$ 4,304
Liabilities		
Overdrafts	\$ 1	\$ 2
Due to The Canada Life Assurance Company (note 8)	1	2
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	2	4
Net assets attributable to contractholders	\$ 4,175	\$ 4,300

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 707	\$ 516
Miscellaneous income (loss)	—	—
Total income (loss)	707	516
Expenses		
Management fees (note 8)	135	136
Other	13	14
Total expenses	148	150
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 559	\$ 366

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 4,300	\$ 4,379
Contractholder deposits	5	74
Contractholder withdrawals	(689)	(519)
Increase (decrease) in net assets from operations attributable to contractholders	559	366
Change in net assets attributable to contractholders	(125)	(79)
Net assets attributable to contractholders - end of year	\$ 4,175	\$ 4,300

Canadian Equity Fund (AGF) SF101

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 559	\$ 366
Adjustments		
Realized (gains) losses	(330)	(230)
Unrealized (gains) losses	(103)	(21)
Gross proceeds of disposition of investments	932	690
Gross payments for the purchase of investments	(98)	(96)
Distribution income of underlying mutual fund	(274)	(265)
Change in due from/to The Canada Life Assurance Company	(1)	1
Change in due from/to brokers	—	8
	<u>685</u>	<u>453</u>
Financing Activities		
Contractholder deposits	5	74
Contractholder withdrawals	(689)	(519)
	<u>(684)</u>	<u>(445)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	1	8
Cash, short-term deposits and overdrafts, beginning of year	(2)	(10)
Cash, short-term deposits and overdrafts, end of year	\$ (1)	\$ (2)

Canadian Equity Fund (AGF) SF101

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
AGF Canadian Growth Equity Class Series O	36,307	2,694	4,177
Total Investments		2,694	4,177

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	8.67%
ARC Resources Ltd.	5.90%
Brookfield Corp.	5.78%
Shopify Inc.	5.27%
Manulife Financial Corp.	3.95%
RB Global Inc.	3.85%
Canadian Natural Resources Ltd.	3.65%
Constellation Software Inc.	3.55%
Cash and short-term deposits	2.97%
Agnico Eagle Mines Ltd.	2.94%
CCL Industries Inc. Class B non-voting	2.91%
The Descartes Systems Group Inc.	2.71%
Brookfield Asset Management Inc. Class A	2.67%
Raymond James Financial Inc.	2.61%
Waste Connections Inc.	2.49%
Canadian Pacific Kansas City Ltd.	2.47%
Bombardier Inc. Class B sub. voting	2.43%
The Goldman Sachs Group Inc.	2.29%
HudBay Minerals Inc.	2.18%
Kinross Gold Corp.	2.11%
Element Fleet Management Corp.	2.05%
KeyCorp	2.05%
AtkinsRealis Group Inc.	1.98%
Teck Resources Ltd. Class B	1.88%
Cameco Corp.	1.86%

Canadian Equity Fund (AGF) SF101

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	121,314	141,794	154,846	170,744	191,926	3,081	3,174	3,196	4,035	3,954
Generations I	13,141	13,943	15,349	16,193	21,893	152	142	143	173	203
Generations II	4,854	4,854	5,727	5,558	9,206	48	42	46	51	74
Generations Core	4,856	8,390	9,083	10,352	11,203	53	81	80	104	97
75/75 guarantee policy	6,263	12,564	12,583	15,610	17,276	94	165	152	214	205
75/100 guarantee policy	8,548	11,498	12,229	16,061	19,502	123	146	143	214	226
100/100 guarantee policy	7,732	9,549	11,524	13,108	22,251	106	116	129	168	249
PS1 75/75 guarantee policy	8,680	3,799	4,142	3,044	4,474	136	52	52	43	54
PS1 75/100 guarantee policy	18,058	21,784	24,998	27,059	24,298	276	290	304	373	290
PS1 100/100 guarantee policy	596	596	596	1,059	7,576	9	8	7	14	88
PS2 75/75 guarantee policy	—	—	3,147	3,218	3,294	—	—	51	58	50
PS2 75/100 guarantee policy	4,304	4,401	4,500	4,598	4,702	93	81	73	83	71
PS2 100/100 guarantee policy	183	188	193	198	203	4	3	3	3	3

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	25.40	22.39	20.64	23.63	20.60	3.01	1.75
Generations I	11.56	10.16	9.34	10.67	9.28	1.40	0.82
Generations II	9.94	8.77	8.09	9.26	8.08	1.17	0.68
Generations Core	10.97	9.61	8.80	10.01	8.67	1.36	0.81
75/75 guarantee policy	15.02	13.15	12.05	13.70	11.87	1.87	1.10
75/100 guarantee policy	14.42	12.68	11.65	13.31	11.57	1.74	1.03
100/100 guarantee policy	13.74	12.12	11.18	12.81	11.17	1.62	0.94
PS1 75/75 guarantee policy	15.68	13.67	12.46	14.11	12.16	2.01	1.21
PS1 75/100 guarantee policy	15.25	13.32	12.17	13.81	11.93	1.93	1.15
PS1 100/100 guarantee policy	14.63	12.82	11.75	13.38	11.60	1.81	1.07
PS2 75/75 guarantee policy	—	—	16.31	18.00	15.13	—	—
PS2 75/100 guarantee policy	21.59	18.35	16.31	18.01	15.13	3.24	2.04
PS2 100/100 guarantee policy	21.58	18.34	16.30	17.99	15.12	3.24	2.04

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Equity Fund (AGF) SF101 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Equity Fund (AGF) SF101

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Equity Fund (AGF) SF101

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.67	3.64	3.65	3.66	3.66
Generations I	3.39	3.37	3.37	3.39	3.38
Generations II	3.72	3.70	3.70	3.72	3.71
Generations Core	3.00	2.98	2.99	2.99	3.00
75/75 guarantee policy	3.00	2.98	2.99	2.99	3.00
75/100 guarantee policy	3.39	3.37	3.38	3.38	3.39
100/100 guarantee policy	3.72	3.69	3.71	3.73	3.71
PS1 75/75 guarantee policy	2.54	2.52	2.52	2.55	2.53
PS1 75/100 guarantee policy	2.77	2.74	2.75	2.75	2.76
PS1 100/100 guarantee policy	3.09	3.08	3.09	3.09	3.09

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	2.27	2.18	2.32	0.58	1.66

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY GROWTH FUND S-102MF

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Growth Fund S-102MF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Growth Fund S-102MF

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ 70
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	141	10
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	151,326	131,281
Total investments	151,326	131,281
Total assets	\$ 151,467	\$ 131,361
Liabilities		
Overdrafts	\$ 166	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	95
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	166	95
Net assets attributable to contractholders	\$ 151,301	\$ 131,266

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 21,545	\$ 13,215
Miscellaneous income (loss)	—	—
Total income (loss)	21,545	13,215
Expenses		
Management fees (note 8)	3,338	2,675
Other	368	303
Total expenses	3,706	2,978
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 17,839	\$ 10,237

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 131,266	\$ 101,757
Contractholder deposits	17,428	31,846
Contractholder withdrawals	(15,232)	(12,574)
Increase (decrease) in net assets from operations attributable to contractholders	17,839	10,237
Change in net assets attributable to contractholders	20,035	29,509
Net assets attributable to contractholders - end of year	\$ 151,301	\$ 131,266

Canadian Equity Growth Fund S-102MF

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 17,839	\$ 10,237
Adjustments		
Realized (gains) losses	(1,658)	(486)
Unrealized (gains) losses	1,728	(7,188)
Gross proceeds of disposition of investments	12,154	6,122
Gross payments for the purchase of investments	(10,654)	(22,524)
Distribution income of underlying mutual fund	(21,615)	(5,541)
Change in due from/to The Canada Life Assurance Company	(131)	33
Change in due from/to brokers	(95)	156
	<u>(2,432)</u>	<u>(19,191)</u>
Financing Activities		
Contractholder deposits	17,428	31,846
Contractholder withdrawals	(15,232)	(12,574)
	<u>2,196</u>	<u>19,272</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(236)	81
Cash, short-term deposits and overdrafts, beginning of year	70	(11)
Cash, short-term deposits and overdrafts, end of year	\$ (166)	\$ 70

Canadian Equity Growth Fund S-102MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Focused Growth Fund Series S *	9,962,630	143,440	151,326
Total Investments		143,440	151,326

Top 25 Holdings

Security Description	% of Total
Canada Life Canadian Focused Small-Mid Cap Fund Series R *	7.51%
Royal Bank of Canada	4.00%
Amazon.com Inc.	2.58%
Constellation Software Inc.	2.58%
Apple Inc.	2.34%
Shopify Inc.	2.34%
Microsoft Corp.	2.26%
Aon PLC	2.04%
Roper Technologies Inc.	1.93%
Brookfield Corp.	1.86%
Canadian Natural Resources Ltd.	1.86%
Mastercard Inc. Class A	1.83%
Canadian Pacific Kansas City Ltd.	1.66%
Verisk Analytics Inc. Class A	1.60%
Copart Inc.	1.59%
Stryker Corp.	1.59%
National Bank of Canada	1.51%
Pembina Pipeline Corp.	1.47%
Amphenol Corp. Class A	1.45%
Cadence Design Systems Inc.	1.42%
Gartner Inc.	1.40%
Thermo Fisher Scientific Inc.	1.37%
Bank of Montreal	1.36%
Canadian Imperial Bank of Commerce	1.36%
Linde PLC	1.34%

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Equity Growth Fund S-102MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	117,402	133,762	124,577	140,888	157,593	3,799	3,851	3,303	4,230	3,906
Generations I	25,602	31,615	28,712	47,075	51,996	594	649	540	998	906
Generations II	9,510	10,535	13,303	14,346	16,327	188	186	216	263	247
Generations Core	13,107	15,079	18,555	19,156	20,190	280	285	321	373	322
75/75 guarantee policy	826,434	811,310	737,269	692,665	398,839	21,863	18,978	15,789	16,692	7,886
75/100 guarantee policy	1,513,878	1,605,809	1,297,982	1,219,735	826,610	39,185	36,793	27,257	28,854	16,062
100/100 guarantee policy	100,161	108,571	104,794	116,908	93,931	2,474	2,384	2,118	2,672	1,771
PS1 75/75 guarantee policy	855,659	726,511	554,635	450,941	226,765	23,282	17,398	12,104	11,022	4,527
PS1 75/100 guarantee policy	1,490,827	1,429,192	1,211,177	1,182,971	724,630	39,455	33,364	25,823	28,313	14,196
PS1 100/100 guarantee policy	48,566	52,892	31,121	36,136	25,145	1,232	1,188	640	838	478
PS2 75/75 guarantee policy	89,051	94,896	92,799	90,590	60,864	3,301	3,020	2,625	2,800	1,499
PS2 75/100 guarantee policy	92,888	124,507	125,550	111,774	105,746	3,444	3,964	3,553	3,456	2,605
PS2 100/100 guarantee policy	13,064	13,931	9,275	9,539	9,812	484	443	262	295	242
PS 75/75 guarantee policy	70,691	67,702	63,832	45,104	24,179	1,198	1,003	856	673	293
PS 75/100 guarantee policy	144,182	121,169	83,496	61,262	24,436	2,425	1,784	1,114	911	295
PS 100/100 guarantee policy	—	11,174	11,284	11,395	17,609	—	161	148	167	210
PPS 75/75 guarantee policy	243,064	175,901	169,991	110,295	61,634	4,247	2,675	2,330	1,674	756
PPS 75/100 guarantee policy	210,619	196,095	169,192	125,528	22,293	3,627	2,946	2,296	1,891	272
PPS 100/100 guarantee policy	13,220	13,140	34,540	70,584	296	223	194	462	1,051	3

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	32.36	28.79	26.52	30.02	24.78	3.57	2.27
Generations I	23.20	20.54	18.82	21.21	17.42	2.66	1.72
Generations II	19.82	17.62	16.21	18.34	15.13	2.20	1.41
Generations Core	21.35	18.88	17.28	19.44	15.95	2.47	1.60
75/75 guarantee policy	26.45	23.39	21.42	24.10	19.77	3.06	1.97
75/100 guarantee policy	25.88	22.91	21.00	23.66	19.43	2.97	1.91
100/100 guarantee policy	24.70	21.96	20.21	22.86	18.85	2.74	1.75
PS1 75/75 guarantee policy	27.21	23.95	21.82	24.44	19.96	3.26	2.13
PS1 75/100 guarantee policy	26.47	23.34	21.32	23.93	19.59	3.13	2.02
PS1 100/100 guarantee policy	25.37	22.45	20.58	23.18	19.03	2.92	1.87
PS2 75/75 guarantee policy	37.07	31.82	28.29	30.91	24.62	5.25	3.53
PS2 75/100 guarantee policy	37.08	31.83	28.30	30.92	24.63	5.25	3.53
PS2 100/100 guarantee policy	37.07	31.82	28.29	30.91	24.62	5.25	3.53
PS 75/75 guarantee policy	16.94	14.82	13.41	14.93	12.11	2.12	1.41
PS 75/100 guarantee policy	16.82	14.73	13.35	14.87	12.08	2.09	1.38
PS 100/100 guarantee policy	—	14.40	13.10	14.66	11.96	—	1.30
PPS 75/75 guarantee policy	17.47	15.21	13.71	15.18	12.26	2.26	1.50
PPS 75/100 guarantee policy	17.22	15.02	13.57	15.06	12.19	2.20	1.45
PPS 100/100 guarantee policy	16.86	14.75	13.37	14.89	12.10	2.11	1.38

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Equity Growth Fund S-102MF (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Equity Growth Fund S-102MF

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Equity Growth Fund S-102MF

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.57	3.55	3.56	3.55	3.52
Generations I	3.07	3.05	3.08	3.05	3.02
Generations II	3.48	3.47	3.47	3.47	3.43
Generations Core	2.96	2.94	2.95	2.94	2.91
75/75 guarantee policy	2.96	2.94	2.95	2.93	2.90
75/100 guarantee policy	3.07	3.05	3.06	3.04	3.01
100/100 guarantee policy	3.48	3.47	3.47	3.46	3.43
PS1 75/75 guarantee policy	2.50	2.48	2.48	2.47	2.42
PS1 75/100 guarantee policy	2.72	2.70	2.71	2.69	2.63
PS1 100/100 guarantee policy	3.05	3.04	3.05	3.03	2.98
PS 75/75 guarantee policy	1.84	1.83	1.83	1.82	1.80
PS 75/100 guarantee policy	1.96	1.94	1.94	1.93	1.91
PS 100/100 guarantee policy	—	2.36	2.36	2.35	2.33
PPS 75/75 guarantee policy	1.38	1.37	1.37	1.36	1.31
PPS 75/100 guarantee policy	1.60	1.59	1.59	1.58	1.54
PPS 100/100 guarantee policy	1.94	1.93	1.94	1.93	1.86

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.50	2.48	2.48	2.47	2.45
PS1 75/100 guarantee policy	2.72	2.70	2.71	2.69	2.66
PS1 100/100 guarantee policy	3.05	3.04	3.05	3.03	3.01
PPS 75/75 guarantee policy	1.38	1.37	1.37	1.36	1.34
PPS 75/100 guarantee policy	1.60	1.59	1.59	1.58	1.57
PPS 100/100 guarantee policy	1.94	1.93	1.94	1.93	1.89

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.48	5.32	7.88	82.72	9.43

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (BISSETT) SF103

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (Bissett) SF103 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (Bissett) SF103

(in Canadian \$ thousands)

Fund Manager: Franklin Templeton Investments Corp.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	7
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	29,324	31,172
Total investments	29,324	31,172
Total assets	\$ 29,324	\$ 31,179
Liabilities		
Overdrafts	\$ 1	\$ 23
Due to The Canada Life Assurance Company (note 8)	6	71
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	7	94
Net assets attributable to contractholders	\$ 29,317	\$ 31,085

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 4,779	\$ 3,075
Miscellaneous income (loss)	—	—
Total income (loss)	4,779	3,075
Expenses		
Management fees (note 8)	679	717
Other	72	77
Total expenses	751	794
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,028	\$ 2,281

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 31,085	\$ 33,770
Contractholder deposits	449	209
Contractholder withdrawals	(6,245)	(5,175)
Increase (decrease) in net assets from operations attributable to contractholders	4,028	2,281
Change in net assets attributable to contractholders	(1,768)	(2,685)
Net assets attributable to contractholders - end of year	\$ 29,317	\$ 31,085

Canadian Equity Fund (Bissett) SF103

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,028	\$ 2,281
Adjustments		
Realized (gains) losses	(2,459)	(1,912)
Unrealized (gains) losses	(840)	568
Gross proceeds of disposition of investments	6,910	5,708
Gross payments for the purchase of investments	(283)	(481)
Distribution income of underlying mutual fund	(1,480)	(1,731)
Change in due from/to The Canada Life Assurance Company	(65)	60
Change in due from/to brokers	7	17
	<u>5,818</u>	<u>4,510</u>
Financing Activities		
Contractholder deposits	449	209
Contractholder withdrawals	(6,245)	(5,175)
	<u>(5,796)</u>	<u>(4,966)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	22	(456)
Cash, short-term deposits and overdrafts, beginning of year	(23)	433
Cash, short-term deposits and overdrafts, end of year	\$ (1)	\$ (23)

Canadian Equity Fund (Bissett) SF103

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Franklin ClearBridge Canadian Equity Fund Series O	132,080	18,650	29,324
Total Investments		18,650	29,324

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	5.27%
The Toronto-Dominion Bank	5.07%
Brookfield Corp.	4.24%
Bank of Montreal	4.12%
Canadian Pacific Kansas City Ltd.	3.84%
Canadian National Railway Co.	3.76%
Alimentation Couche-Tard Inc.	3.59%
Fortis Inc.	3.53%
The Bank of Nova Scotia	3.49%
Franco-Nevada Corp.	2.70%
Metro Inc.	2.57%
ATCO Ltd. Class I non-voting	2.43%
TELUS Corp.	2.41%
Waste Connections Inc.	2.41%
Open Text Corp.	2.31%
Shopify Inc.	2.27%
BCE Inc.	2.21%
CGI Group Inc. Class A sub. voting	2.20%
Enbridge Inc.	2.06%
Hydro One Ltd.	1.91%
Loblaw Companies Ltd.	1.90%
ARC Resources Ltd.	1.75%
Tourmaline Oil Corp.	1.69%
Headwater Exploration Inc.	1.68%
Dollarama Inc.	1.65%

Canadian Equity Fund (Bissett) SF103

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	112,376	134,198	162,358	180,515	212,960	5,141	5,422	6,167	6,889	6,502
Generations I	52,722	66,111	78,989	86,417	104,877	1,418	1,566	1,755	1,924	1,864
Generations II	13,672	13,878	18,519	18,873	19,924	319	286	359	368	311
Generations Core	15,165	16,877	18,992	23,285	31,217	383	375	394	483	515
75/75 guarantee policy	92,634	112,723	116,685	118,865	133,393	2,692	2,877	2,784	2,833	2,530
75/100 guarantee policy	163,567	209,226	253,305	293,577	358,963	4,589	5,171	5,872	6,820	6,656
100/100 guarantee policy	120,986	160,207	176,679	193,761	223,711	3,259	3,813	3,956	4,362	4,032
PS1 75/75 guarantee policy	33,907	30,638	34,172	38,032	45,713	914	722	750	830	791
PS1 75/100 guarantee policy	72,992	86,857	100,170	105,090	110,731	1,914	1,997	2,149	2,248	1,882
PS1 100/100 guarantee policy	111,035	93,768	117,039	148,318	151,242	2,791	2,073	2,422	3,072	2,496
PS2 75/75 guarantee policy	7,459	9,298	17,968	21,662	23,882	273	290	510	597	509
PS2 75/100 guarantee policy	15,016	30,858	32,667	35,087	37,504	550	965	928	968	800
PS2 100/100 guarantee policy	11,883	12,963	14,014	16,484	16,284	435	405	398	455	348
PPS 75/100 guarantee policy	—	—	—	641	647	—	—	—	9	7

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	45.75	40.40	37.98	38.16	30.53	5.35	2.42
Generations I	26.89	23.69	22.22	22.27	17.77	3.20	1.47
Generations II	23.30	20.59	19.37	19.48	15.59	2.71	1.22
Generations Core	25.27	22.19	20.75	20.73	16.49	3.08	1.44
75/75 guarantee policy	29.06	25.52	23.86	23.84	18.97	3.54	1.66
75/100 guarantee policy	28.06	24.72	23.18	23.23	18.54	3.34	1.54
100/100 guarantee policy	26.94	23.80	22.39	22.51	18.02	3.14	1.41
PS1 75/75 guarantee policy	26.94	23.57	21.94	21.84	17.30	3.37	1.63
PS1 75/100 guarantee policy	26.23	22.99	21.45	21.40	16.99	3.24	1.54
PS1 100/100 guarantee policy	25.13	22.10	20.70	20.71	16.50	3.03	1.40
PS2 75/75 guarantee policy	36.61	31.24	28.39	27.58	21.33	5.37	2.85
PS2 75/100 guarantee policy	36.63	31.27	28.41	27.60	21.34	5.36	2.86
PS2 100/100 guarantee policy	36.64	31.27	28.42	27.60	21.35	5.37	2.85
PPS 75/100 guarantee policy	—	—	—	13.29	10.44	—	—

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Equity Fund (Bissett) SF103 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used. Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Equity Fund (Bissett) SF103

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Equity Fund (Bissett) SF103

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.41	3.38	3.39	3.39	3.39
Generations I	3.17	3.14	3.15	3.15	3.14
Generations II	3.48	3.45	3.45	3.45	3.45
Generations Core	2.85	2.83	2.84	2.84	2.84
75/75 guarantee policy	2.85	2.83	2.84	2.84	2.83
75/100 guarantee policy	3.17	3.14	3.15	3.15	3.14
100/100 guarantee policy	3.48	3.45	3.46	3.46	3.45
PS1 75/75 guarantee policy	2.45	2.43	2.43	2.43	2.43
PS1 75/100 guarantee policy	2.67	2.65	2.65	2.65	2.65
PS1 100/100 guarantee policy	3.00	2.98	2.99	2.98	2.98
PPS 75/100 guarantee policy	—	—	—	1.54	1.55

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.93	0.08	0.21	2.21	16.25

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (BISSETT) SF104

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (Bissett) SF104 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (Bissett) SF104

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 77	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	130,019	121,226
Total investments	130,019	121,226
Total assets	\$ 130,096	\$ 121,226
Liabilities		
Overdrafts	\$ —	\$ 22
Due to The Canada Life Assurance Company (note 8)	40	28
Due to brokers	—	59
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	40	109
Net assets attributable to contractholders	\$ 130,056	\$ 121,117

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 16,688	\$ 14,714
Miscellaneous income (loss)	—	—
Total income (loss)	16,688	14,714
Expenses		
Management fees (note 8)	3,068	2,888
Other	306	282
Total expenses	3,374	3,170
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 13,314	\$ 11,544

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 121,117	\$ 118,433
Contractholder deposits	12,787	6,658
Contractholder withdrawals	(17,162)	(15,518)
Increase (decrease) in net assets from operations attributable to contractholders	13,314	11,544
Change in net assets attributable to contractholders	8,939	2,684
Net assets attributable to contractholders - end of year	\$ 130,056	\$ 121,117

Balanced Fund (Bissett) SF104

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 13,314	\$ 11,544
Adjustments		
Realized (gains) losses	(707)	1,159
Unrealized (gains) losses	(12,908)	(12,774)
Gross proceeds of disposition of investments	14,038	16,327
Gross payments for the purchase of investments	(6,143)	(4,388)
Distribution income of underlying mutual fund	(3,073)	(3,099)
Change in due from/to The Canada Life Assurance Company	12	64
Change in due from/to brokers	(59)	13
	<u>4,474</u>	<u>8,846</u>
Financing Activities		
Contractholder deposits	12,787	6,658
Contractholder withdrawals	(17,162)	(15,518)
	<u>(4,375)</u>	<u>(8,860)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	99	(14)
Cash, short-term deposits and overdrafts, beginning of year	(22)	(8)
Cash, short-term deposits and overdrafts, end of year	\$ 77	\$ (22)

Balanced Fund (Bissett) SF104

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Balanced Portfolio *	11,861,774	120,042	130,019
Total Investments		120,042	130,019

Top Holdings

Security Description	% of Total
Canada Life Sustainable Global Bond Fund Series R *	48.30%
Canada Life Sustainable Global Equity Fund Series R *	19.30%
Canada Life ESG U.S. Equity Fund Series R *	13.80%
Canada Life International Equity Fund Series R *	8.24%
Canada Life U.S. Carbon Transition Equity Fund Series R *	4.16%
Canada Life Sustainable Emerging Markets Equity *	3.41%
Cash and short-term deposits	2.79%

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Fund (Bissett) SF104

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	473,429	582,052	712,623	761,999	854,803	11,422	12,670	14,121	17,375	17,698
Generations I	615,575	692,107	830,473	1,190,349	1,607,654	10,963	11,103	12,108	19,938	24,410
Generations II	108,825	116,214	165,111	179,828	230,875	1,807	1,743	2,257	2,831	3,302
Generations Core	141,798	154,611	166,180	186,923	208,434	2,501	2,450	2,387	3,076	3,096
75/75 guarantee policy	700,742	685,454	711,058	679,832	771,859	13,471	11,836	11,129	12,190	12,494
75/100 guarantee policy	2,951,504	3,274,382	3,548,445	4,117,708	4,900,970	55,104	55,065	54,234	72,302	78,009
100/100 guarantee policy	290,597	343,819	386,301	427,187	507,685	5,265	5,626	5,761	7,339	7,921
PS1 75/75 guarantee policy	173,076	114,358	132,042	89,640	90,978	3,136	1,858	1,941	1,507	1,377
PS1 75/100 guarantee policy	773,835	638,739	575,062	445,367	532,995	13,772	10,204	8,320	7,377	7,960
PS1 100/100 guarantee policy	186,189	168,473	114,796	119,354	109,159	3,225	2,624	1,622	1,934	1,598
PS2 75/75 guarantee policy	36,521	38,187	24,555	27,380	38,193	897	821	467	581	712
PS2 75/100 guarantee policy	104,388	88,187	99,342	68,727	70,537	2,567	1,898	1,888	1,459	1,316
PS2 100/100 guarantee policy	—	393	1,406	2,219	6,504	—	8	27	47	121
PS 75/75 guarantee policy	2,172	336	98	—	—	28	4	1	—	—
PS 75/100 guarantee policy	107,645	43,755	52,045	46,565	43,507	1,365	494	528	537	450
PPS 75/75 guarantee policy	79,210	73,658	33,110	—	—	1,040	858	345	—	—
PPS 75/100 guarantee policy	268,258	160,526	125,229	8,571	—	3,493	1,855	1,297	101	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	24.13	21.77	19.82	22.80	20.70	2.36	1.95
Generations I	17.81	16.04	14.58	16.75	15.18	1.77	1.46
Generations II	16.60	15.00	13.67	15.74	14.30	1.60	1.33
Generations Core	17.64	15.85	14.36	16.46	14.85	1.79	1.49
75/75 guarantee policy	19.22	17.27	15.65	17.93	16.19	1.95	1.62
75/100 guarantee policy	18.67	16.82	15.28	17.56	15.92	1.85	1.54
100/100 guarantee policy	18.12	16.36	14.91	17.18	15.60	1.76	1.45
PS1 75/75 guarantee policy	18.12	16.25	14.70	16.81	15.13	1.87	1.55
PS1 75/100 guarantee policy	17.80	15.97	14.47	16.56	14.94	1.83	1.50
PS1 100/100 guarantee policy	17.32	15.57	14.13	16.20	14.64	1.75	1.44
PS2 75/75 guarantee policy	24.58	21.51	19.00	21.22	18.65	3.07	2.51
PS2 75/100 guarantee policy	24.59	21.52	19.01	21.23	18.66	3.07	2.51
PS2 100/100 guarantee policy	—	21.52	19.01	21.23	18.66	—	2.51
PS 75/75 guarantee policy	12.96	11.51	10.32	—	—	1.45	1.19
PS 75/100 guarantee policy	12.68	11.29	10.15	11.54	10.34	1.39	1.14
PPS 75/75 guarantee policy	13.14	11.65	10.42	—	—	1.49	1.23
PPS 75/100 guarantee policy	13.02	11.56	10.36	11.73	—	1.46	1.20

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Fund (Bissett) SF104 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Fund (Bissett) SF104

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Balanced Fund (Bissett) SF104

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.04	3.01	3.01	3.26	3.30
Generations I	2.88	2.85	2.85	3.10	3.14
Generations II	3.15	3.12	3.12	3.28	3.30
Generations Core	2.60	2.58	2.57	2.68	2.70
75/75 guarantee policy	2.60	2.57	2.57	2.68	2.70
75/100 guarantee policy	2.88	2.85	2.84	3.10	3.14
100/100 guarantee policy	3.15	3.12	3.12	3.28	3.30
PS1 75/75 guarantee policy	2.42	2.39	2.38	2.40	2.41
PS1 75/100 guarantee policy	2.53	2.50	2.49	2.56	2.57
PS1 100/100 guarantee policy	2.69	2.67	2.66	2.77	2.79
PS 75/75 guarantee policy	1.49	1.47	1.48	—	—
PS 75/100 guarantee policy	1.77	1.75	1.75	2.00	2.04
PPS 75/75 guarantee policy	1.31	1.30	1.28	—	—
PPS 75/100 guarantee policy	1.42	1.41	1.40	1.36	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.91	3.71	5.71	97.52	0.04

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SMALL CAP EQUITY FUND (BISSETT) SF105

December 31, 2024

Independent Auditor's Report

To the Contractholders of Small Cap Equity Fund (Bissett) SF105 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Small Cap Equity Fund (Bissett) SF105

(in Canadian \$ thousands)

Fund Manager: Franklin Templeton Investments Corp.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	43
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	17,522	16,857
Total investments	17,522	16,857
Total assets	\$ 17,522	\$ 16,900
Liabilities		
Overdrafts	\$ —	\$ 96
Due to The Canada Life Assurance Company (note 8)	4	8
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	4	104
Net assets attributable to contractholders	\$ 17,518	\$ 16,796

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,604	\$ 2,768
Miscellaneous income (loss)	—	—
Total income (loss)	3,604	2,768
Expenses		
Management fees (note 8)	557	538
Other	58	55
Total expenses	615	593
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,989	\$ 2,175

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 16,796	\$ 16,845
Contractholder deposits	134	199
Contractholder withdrawals	(2,401)	(2,423)
Increase (decrease) in net assets from operations attributable to contractholders	2,989	2,175
Change in net assets attributable to contractholders	722	(49)
Net assets attributable to contractholders - end of year	\$ 17,518	\$ 16,796

Small Cap Equity Fund (Bissett) SF105

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,989	\$ 2,175
Adjustments		
Realized (gains) losses	(487)	(56)
Unrealized (gains) losses	(2,715)	(2,162)
Gross proceeds of disposition of investments	2,953	2,843
Gross payments for the purchase of investments	(14)	(82)
Distribution income of underlying mutual fund	(402)	(550)
Change in due from/to The Canada Life Assurance Company	(4)	3
Change in due from/to brokers	43	49
	<u>2,363</u>	<u>2,220</u>
Financing Activities		
Contractholder deposits	134	199
Contractholder withdrawals	(2,401)	(2,423)
	<u>(2,267)</u>	<u>(2,224)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	96	(4)
Cash, short-term deposits and overdrafts, beginning of year	(96)	(92)
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ (96)

Small Cap Equity Fund (Bissett) SF105

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Franklin ClearBridge Canadian Small Cap Fund Series O	183,844	13,611	17,522
Total Investments		13,611	17,522

Top 25 Holdings

Security Description	% of Total
Enerflex Ltd.	3.85%
ATCO Ltd. Class I non-voting	3.77%
Canadian Western Bank	3.74%
Empire Co. Ltd. Class A non-voting	3.65%
EQB Inc.	3.47%
Kelt Exploration Ltd.	3.47%
Headwater Exploration Inc.	3.36%
AltaGas Ltd.	3.33%
Propel Holdings Inc.	3.29%
The Descartes Systems Group Inc.	3.19%
Winpak Ltd.	3.12%
FirstService Corp.	3.02%
Parex Resources Inc.	2.89%
Boyd Group Services Inc.	2.82%
Kinaxis Inc.	2.80%
PHX Energy Services Corp.	2.78%
Jamieson Wellness Inc.	2.56%
Topaz Energy Corp.	2.52%
Brookfield Wealth Solutions Ltd.	2.44%
GDI Integrated Facility Services Inc.	2.30%
Calian Group Ltd.	2.21%
Methanex Corp.	2.09%
Sandstorm Gold Ltd.	1.97%
Converge Technology Solutions Corp.	1.96%
ATS Corp.	1.83%

Small Cap Equity Fund (Bissett) SF105

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	248,455	275,891	315,139	350,007	387,031	9,306	8,704	8,749	10,604	9,403
Generations I	65,235	77,658	83,348	93,942	108,445	890	892	843	1,036	959
Generations II	40,067	41,554	49,943	56,369	70,082	580	509	540	668	668
Generations Core	46,185	54,671	62,948	65,832	82,839	744	740	747	851	856
75/75 guarantee policy	55,960	72,382	85,417	91,321	104,947	1,030	1,119	1,159	1,348	1,239
75/100 guarantee policy	107,372	133,291	160,147	189,118	232,528	1,902	1,989	2,103	2,710	2,672
100/100 guarantee policy	34,429	54,878	60,375	72,960	82,482	575	775	753	997	907
PS1 75/75 guarantee policy	24,091	16,151	17,461	16,745	17,843	365	205	194	202	171
PS1 75/100 guarantee policy	35,199	46,454	49,986	53,975	52,664	518	574	542	636	497
PS1 100/100 guarantee policy	62,033	51,825	56,111	51,081	67,778	869	612	583	579	617
PS2 75/75 guarantee policy	8,549	10,961	11,276	11,595	11,926	192	200	174	189	150
PS2 75/100 guarantee policy	8,228	8,572	8,816	9,061	9,317	185	156	136	147	117
PS2 100/100 guarantee policy	16,115	17,411	20,334	22,242	19,669	362	318	315	362	247
PS 75/75 guarantee policy	—	—	478	401	321	—	—	4	4	2
PS 75/100 guarantee policy	—	324	327	912	2,546	—	3	3	8	19

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	37.45	31.55	27.76	30.30	24.29	5.90	3.79
Generations I	13.64	11.49	10.11	11.03	8.85	2.15	1.38
Generations II	14.48	12.24	10.81	11.85	9.54	2.24	1.43
Generations Core	16.11	13.53	11.88	12.92	10.34	2.58	1.65
75/75 guarantee policy	18.40	15.46	13.57	14.76	11.81	2.94	1.89
75/100 guarantee policy	17.71	14.92	13.13	14.33	11.49	2.79	1.79
100/100 guarantee policy	16.70	14.12	12.47	13.67	11.00	2.58	1.65
PS1 75/75 guarantee policy	15.14	12.68	11.09	12.04	9.60	2.46	1.59
PS1 75/100 guarantee policy	14.72	12.36	10.84	11.78	9.42	2.36	1.52
PS1 100/100 guarantee policy	14.00	11.80	10.39	11.34	9.10	2.20	1.41
PS2 75/75 guarantee policy	22.50	18.26	15.49	16.28	12.58	4.24	2.77
PS2 75/100 guarantee policy	22.49	18.25	15.47	16.27	12.57	4.24	2.78
PS2 100/100 guarantee policy	22.50	18.25	15.48	16.28	12.58	4.25	2.77
PS 75/75 guarantee policy	—	—	8.77	9.44	7.46	—	—
PS 75/100 guarantee policy	—	9.96	8.66	9.35	7.42	—	1.30

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Small Cap Equity Fund (Bissett) SF105 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Small Cap Equity Fund (Bissett) SF105

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Small Cap Equity Fund (Bissett) SF105

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.74	3.70	3.71	3.71	3.71
Generations I	3.74	3.70	3.71	3.71	3.71
Generations II	4.12	4.09	4.09	4.09	4.09
Generations Core	3.46	3.43	3.43	3.43	3.44
75/75 guarantee policy	3.46	3.43	3.43	3.43	3.43
75/100 guarantee policy	3.74	3.70	3.71	3.71	3.71
100/100 guarantee policy	4.12	4.09	4.10	4.09	4.09
PS1 75/75 guarantee policy	3.16	3.13	3.13	3.14	3.16
PS1 75/100 guarantee policy	3.39	3.35	3.36	3.36	3.37
PS1 100/100 guarantee policy	3.77	3.74	3.74	3.75	3.74
PS 75/75 guarantee policy	—	—	2.32	2.33	2.34
PS 75/100 guarantee policy	—	2.61	2.61	2.61	2.61

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.08	0.48	0.60	1.13	1.36

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL EQUITY FUND (TEMPLETON)
SF118

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Equity Fund (Templeton) SF118 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Equity Fund (Templeton) SF118

(in Canadian \$ thousands)

Fund Manager: Franklin Templeton Investments Corp.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	5	6
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	5,741	5,614
Total investments	5,741	5,614
Total assets	\$ 5,746	\$ 5,620
Liabilities		
Overdrafts	\$ 5	\$ 7
Due to The Canada Life Assurance Company (note 8)	—	1
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	8
Net assets attributable to contractholders	\$ 5,741	\$ 5,612

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 959	\$ 1,003
Miscellaneous income (loss)	—	—
Total income (loss)	959	1,003
Expenses		
Management fees (note 8)	181	180
Other	21	20
Total expenses	202	200
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 757	\$ 803

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 5,612	\$ 5,939
Contractholder deposits	26	45
Contractholder withdrawals	(654)	(1,175)
Increase (decrease) in net assets from operations attributable to contractholders	757	803
Change in net assets attributable to contractholders	129	(327)
Net assets attributable to contractholders - end of year	\$ 5,741	\$ 5,612

International Equity Fund (Templeton) SF118

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 757	\$ 803
Adjustments		
Realized (gains) losses	(93)	37
Unrealized (gains) losses	(458)	(826)
Gross proceeds of disposition of investments	1,083	1,348
Gross payments for the purchase of investments	(251)	(19)
Distribution income of underlying mutual fund	(408)	(214)
Change in due from/to The Canada Life Assurance Company	(1)	—
Change in due from/to brokers	1	1
	<u>630</u>	<u>1,130</u>
Financing Activities		
Contractholder deposits	26	45
Contractholder withdrawals	(654)	(1,175)
	<u>(628)</u>	<u>(1,130)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	2	—
Cash, short-term deposits and overdrafts, beginning of year	(7)	(7)
Cash, short-term deposits and overdrafts, end of year	\$ (5)	\$ (7)

International Equity Fund (Templeton) SF118

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Templeton International Stock Trust	260,333	5,292	5,741
Total Investments		5,292	5,741

Top 25 Holdings

Security Description	% of Total
Deutsche Telekom AG	5.06%
Sumitomo Mitsui Financial Group Inc.	4.43%
Swiss Re AG	4.38%
Taiwan Semiconductor Manufacturing Co. Ltd.	4.27%
CRH PLC	3.89%
Shell PLC Class A ADR	3.69%
Sanofi SA	3.27%
BP PLC	3.22%
Standard Chartered PLC	3.20%
SAP SE	3.04%
AstraZeneca PLC	2.81%
Smurfit WestRock PLC	2.72%
TotalEnergies SE	2.64%
Mitsubishi Electric Corp.	2.53%
ING Groep NV	2.30%
Ebara Corp.	2.28%
Cash and short-term deposits	2.27%
Samsung Electronics Co. Ltd.	2.20%
CNH Industrial NV	2.14%
Unilever PLC	2.11%
Compagnie de Saint-Gobain SA	2.09%
Veolia Environnement SA	2.09%
Smith & Nephew PLC	2.02%
Securitas AB	2.00%
Infineon Technologies AG	1.95%

International Equity Fund (Templeton) SF118

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	169,120	190,691	207,544	229,048	266,505	2,297	2,278	2,170	2,502	2,862
Generations I	28,564	30,585	32,787	41,318	46,273	388	365	342	450	495
Generations II	10,456	13,963	14,646	15,542	16,604	116	137	126	140	147
Generations Core	8,745	11,641	11,548	18,380	29,901	107	125	108	178	284
Prestige/Prestige Plus	—	—	419	484	551	—	—	5	6	6
75/75 guarantee policy	21,039	26,348	45,932	47,599	53,290	359	393	596	642	703
75/100 guarantee policy	45,875	63,080	77,885	88,872	116,305	750	905	977	1,164	1,496
100/100 guarantee policy	20,871	21,150	27,036	27,927	35,717	326	291	327	353	445
PS1 75/75 guarantee policy	5,914	4,139	6,091	30,555	33,586	126	77	99	513	550
PS1 75/100 guarantee policy	57,006	52,920	63,958	62,026	58,444	1,168	949	999	1,008	929
PS1 100/100 guarantee policy	2,090	2,142	3,887	3,959	1,443	41	37	58	62	22
PS2 75/75 guarantee policy	—	—	3,837	3,936	4,041	—	—	84	87	84
PS2 75/100 guarantee policy	1,634	1,677	1,723	1,770	2,205	50	43	38	39	46
PS2 100/100 guarantee policy	427	441	455	7,320	7,552	13	12	10	161	158

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	13.58	11.95	10.46	10.92	10.74	1.63	1.49
Generations I	13.59	11.94	10.44	10.89	10.70	1.65	1.50
Generations II	11.10	9.78	8.58	8.98	8.85	1.32	1.20
Generations Core	12.26	10.73	9.34	9.71	9.50	1.53	1.39
Prestige/Prestige Plus	—	—	11.12	11.61	11.41	—	—
75/75 guarantee policy	17.04	14.90	12.98	13.49	13.20	2.14	1.92
75/100 guarantee policy	16.34	14.35	12.55	13.10	12.86	1.99	1.80
100/100 guarantee policy	15.63	13.77	12.08	12.65	12.46	1.86	1.69
PS1 75/75 guarantee policy	21.37	18.65	16.19	16.78	16.37	2.72	2.46
PS1 75/100 guarantee policy	20.49	17.94	15.63	16.25	15.90	2.55	2.31
PS1 100/100 guarantee policy	19.37	17.03	14.91	15.57	15.31	2.34	2.12
PS2 75/75 guarantee policy	—	—	21.89	22.04	20.89	—	—
PS2 75/100 guarantee policy	30.59	25.92	21.88	22.03	20.88	4.67	4.04
PS2 100/100 guarantee policy	30.58	25.91	21.87	22.03	20.87	4.67	4.04

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The International Equity Fund (Templeton) SF118 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

International Equity Fund (Templeton) SF118

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

International Equity Fund (Templeton) SF118

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.69	3.66	3.66	3.66	3.65
Generations I	3.58	3.55	3.55	3.55	3.54
Generations II	3.92	3.89	3.88	3.87	3.87
Generations Core	3.19	3.17	3.17	3.17	3.16
Prestige/Prestige Plus	—	—	3.65	3.64	3.64
75/75 guarantee policy	3.19	3.17	3.16	3.16	3.15
75/100 guarantee policy	3.58	3.55	3.55	3.55	3.54
100/100 guarantee policy	3.92	3.89	3.88	3.89	3.87
PS1 75/75 guarantee policy	2.89	2.87	2.87	2.86	2.85
PS1 75/100 guarantee policy	3.23	3.20	3.19	3.19	3.18
PS1 100/100 guarantee policy	3.67	3.65	3.64	3.64	3.62

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.30	0.31	1.68	3.99	14.06

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GOVERNMENT BOND FUND S-167G

December 31, 2024

Independent Auditor's Report

To the Contractholders of Government Bond Fund S-167G (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 6	\$ 8
Investment income due and accrued	17	16
Due from The Canada Life Assurance Company (note 8)	1	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	2,924	3,360
Stocks	—	—
Investment fund units	—	—
Derivatives (note 7)	—	—
Total investments	2,924	3,360
Total assets	\$ 2,948	\$ 3,384
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Derivatives (note 7)	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 2,948	\$ 3,384

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 141	\$ 328
Miscellaneous income (loss)	1	10
Total income (loss)	142	338
Expenses		
Management fees (note 8)	65	76
Transaction costs	—	—
Withholding taxes	—	—
Other	7	9
Total expenses	72	85
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 70	\$ 253

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 3,384	\$ 15,241
Contractholder deposits	35	708
Contractholder withdrawals	(541)	(12,818)
Increase (decrease) in net assets from operations attributable to contractholders	70	253
Change in net assets attributable to contractholders	(436)	(11,857)
Net assets attributable to contractholders - end of year	\$ 2,948	\$ 3,384

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 70	\$ 253
Adjustments		
Add back amortization of premium (discount)	—	9
Realized (gains) losses	5	671
Unrealized (gains) losses	(63)	(628)
Gross proceeds of disposition of investments	1,828	21,786
Gross payments for the purchase of investments	(1,334)	(11,024)
Change in investment income due and accrued	(1)	30
Change in due from/to The Canada Life Assurance Company	(1)	(3)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	504	11,094
Financing Activities		
Contractholder deposits	35	708
Contractholder withdrawals	(541)	(12,818)
	(506)	(12,110)
Net increase (decrease) in cash, short-term deposits and overdrafts	(2)	(1,016)
Cash, short-term deposits and overdrafts, beginning of year	8	1,024
Cash, short-term deposits and overdrafts, end of year	\$ 6	\$ 8
Supplementary cash flow information		
Interest income received	\$ 82	\$ 401

Government Bond Fund S-167G

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 1.90% 09-15-2026	754,000	722	741
Canada Housing Trust No. 1 1.95% 12-15-2025	340,000	332	337
Canada Housing Trust No. 1 3.10% 06-15-2028	119,000	119	119
Government of Canada 3.25% 09-01-2028	565,000	559	571
Government of Canada 4.00% 03-01-2029	167,000	175	174
Government of Canada 4.25% 12-01-2026 Real Return	12,000	24	23
Total Federal Government		1,931	1,965
Provincial Government			
Province of British Columbia 2.30% 06-18-2026	43,000	44	43
Province of Manitoba 2.55% 06-02-2026	56,000	57	56
Province of Ontario 1.55% 11-01-2029	66,000	66	61
Province of Ontario 2.60% 06-02-2025	21,000	21	21
Province of Ontario 3.60% 03-08-2028	85,000	86	86
Province of Ontario 3.80% 12-02-2034	95,000	94	95
Province of Ontario 4.15% 06-02-2034	445,000	436	457
Province of Quebec 2.75% 09-01-2027	50,000	53	50
Total Provincial Government		857	869
Municipal Government			
Municipal Finance Authority of British Columbia 4.95% 12-01-2027	14,000	17	15
Total Municipal Government		17	15

Government Bond Fund S-167G

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible			
PSP Capital Inc. 2.60% 03-01-2032	80,000	80	75
Total Corporate - Non-convertible		80	75
Total Canadian Bonds		2,885	2,924
Total Bonds		2,885	2,924
Total Investments		2,885	2,924

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Government Bond Fund S-167G (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

The Fund had no significant exposure to foreign currency as at December 31, 2024.

2023						
Currency	Investments	Cash, Short-term Deposits and Overdrafts		Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 16	\$ —	\$ —	16	\$ —	—
Total	\$ 16	\$ —	\$ —	16	\$ —	—
As Percent of Net Assets Attributable to Contractholders				0.5%	—%	

*includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024						
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total	
Bonds	\$ 358	\$ 1,939	\$ 627	\$ —	\$ —	2,924

2023						
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total	
Bonds	\$ 16	\$ 2,597	\$ 747	\$ —	\$ —	3,360

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$102 (\$119 at December 31, 2023) or approximately 3.5% (3.5% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	44.0	43.7	50.8	50.4
AA	54.1	53.6	25.1	24.9
A	1.9	1.9	24.1	24.0
Total	100.0	99.2	100.0	99.3

F. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

	2024			
	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 2,924	\$ —	\$ 2,924
Derivatives	—	—	—	—
Total assets measured at fair value	\$ —	\$ 2,924	\$ —	\$ 2,924
Liabilities measured at fair value				
Derivatives	\$ —	\$ —	\$ —	\$ —
Net assets attributable to contractholders measured at fair value	\$ —	\$ 2,924	\$ —	\$ 2,924

Government Bond Fund S-167G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

F. Fair Value Classification (continued)

	2023			
	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>				
Bonds	\$ —	\$ 3,360	\$ —	\$ 3,360
Derivatives	—	—	—	—
Total assets measured at fair value	\$ —	\$ 3,360	\$ —	\$ 3,360
<u>Liabilities measured at fair value</u>				
Derivatives ⁽¹⁾	\$ —	\$ —	\$ —	\$ —
Net assets attributable to contractholders measured at fair value	\$ —	\$ 3,360	\$ —	\$ 3,360

⁽¹⁾ Excludes collateral pledged to counterparties of \$2.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Government Bond Fund S-167G

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	91,582	112,729	129,903	159,312	193,688	1,169	1,412	1,581	2,046	2,577
Generations I	31,765	33,848	38,939	45,424	52,543	378	393	435	532	633
Generations II	9,049	10,166	11,384	20,599	24,341	102	112	121	230	280
Generations Core	16,600	19,430	22,936	27,768	39,992	191	218	248	315	466
75/75 guarantee policy	27,782	31,465	36,436	43,044	49,200	294	324	362	448	526
75/100 guarantee policy	50,764	61,444	117,429	132,299	148,278	532	628	1,156	1,365	1,574
100/100 guarantee policy	9,092	11,798	16,612	18,546	20,610	95	120	163	191	218
PS1 75/75 guarantee policy	—	—	—	6,491	6,488	—	—	—	69	71
PS1 75/100 guarantee policy	17,026	16,693	16,687	42,951	45,469	187	177	170	455	493
PS2 75/100 guarantee policy	—	—	—	7,653	7,759	—	—	—	93	95

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	12.76	12.53	12.17	12.84	13.31	0.23	0.36
Generations I	11.90	11.60	11.18	11.72	12.05	0.30	0.42
Generations II	11.32	11.04	10.65	11.16	11.49	0.28	0.39
Generations Core	11.53	11.23	10.82	11.34	11.65	0.30	0.41
75/75 guarantee policy	10.58	10.30	9.93	10.40	10.69	0.28	0.37
75/100 guarantee policy	10.48	10.21	9.85	10.32	10.61	0.27	0.36
100/100 guarantee policy	10.42	10.16	9.80	10.28	10.58	0.26	0.36
PS1 75/75 guarantee policy	—	—	—	10.65	10.89	—	—
PS1 75/100 guarantee policy	10.95	10.61	10.17	10.60	10.84	0.34	0.44
PS2 75/100 guarantee policy	—	—	—	12.18	12.27	—	—

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds

Bonds are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Government Bond Fund S-167G

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Government Bond Fund S-167G

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.77	2.75	2.76	2.76	2.75
Generations I	2.04	2.03	2.03	2.03	2.03
Generations II	2.10	2.08	2.10	2.08	2.08
Generations Core	1.98	1.97	1.98	1.98	1.97
75/75 guarantee policy	1.98	1.97	1.98	1.97	1.97
75/100 guarantee policy	2.04	2.03	2.03	2.03	2.03
100/100 guarantee policy	2.10	2.08	2.09	2.08	2.08
PS1 75/75 guarantee policy	—	—	—	1.39	1.39
PS1 75/100 guarantee policy	1.46	1.45	1.46	1.45	1.45

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	42.94	92.64	41.24	80.51	100.63

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
HARBOUR CANADIAN FUND (CI) SF175

December 31, 2024

Independent Auditor's Report

To the Contractholders of Harbour Canadian Fund (CI) SF175 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Harbour Canadian Fund (CI) SF175

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	21
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	25,709	26,293
Total investments	25,709	26,293
Total assets	\$ 25,709	\$ 26,314
Liabilities		
Overdrafts	\$ —	\$ 44
Due to The Canada Life Assurance Company (note 8)	10	32
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	10	76
Net assets attributable to contractholders	\$ 25,699	\$ 26,238

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,978	\$ 3,296
Miscellaneous income (loss)	—	—
Total income (loss)	3,978	3,296
Expenses		
Management fees (note 8)	737	789
Other	73	79
Total expenses	810	868
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 3,168	\$ 2,428

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 26,238	\$ 28,271
Contractholder deposits	234	263
Contractholder withdrawals	(3,941)	(4,724)
Increase (decrease) in net assets from operations attributable to contractholders	3,168	2,428
Change in net assets attributable to contractholders	(539)	(2,033)
Net assets attributable to contractholders - end of year	\$ 25,699	\$ 26,238

Harbour Canadian Fund (CI) SF175

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 3,168	\$ 2,428
Adjustments		
Realized (gains) losses	(565)	(302)
Unrealized (gains) losses	262	(1,880)
Gross proceeds of disposition of investments	4,589	5,473
Gross payments for the purchase of investments	(27)	(180)
Distribution income of underlying mutual fund	(3,675)	(1,114)
Change in due from/to The Canada Life Assurance Company	(22)	29
Change in due from/to brokers	21	(2)
	<u>3,751</u>	<u>4,452</u>
Financing Activities		
Contractholder deposits	234	263
Contractholder withdrawals	(3,941)	(4,724)
	<u>(3,707)</u>	<u>(4,461)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	44	(9)
Cash, short-term deposits and overdrafts, beginning of year	(44)	(35)
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ (44)

Harbour Canadian Fund (CI) SF175

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Focused Growth Fund Series S *	1,692,600	24,592	25,709
Total Investments		24,592	25,709

Top 25 Holdings

Security Description	% of Total
Canada Life Canadian Focused Small-Mid Cap Fund Series R *	7.51%
Royal Bank of Canada	4.00%
Amazon.com Inc.	2.58%
Constellation Software Inc.	2.58%
Apple Inc.	2.34%
Shopify Inc.	2.34%
Microsoft Corp.	2.26%
Aon PLC	2.04%
Roper Technologies Inc.	1.93%
Brookfield Corp.	1.86%
Canadian Natural Resources Ltd.	1.86%
Mastercard Inc. Class A	1.83%
Canadian Pacific Kansas City Ltd.	1.66%
Verisk Analytics Inc. Class A	1.60%
Copart Inc.	1.59%
Stryker Corp.	1.59%
National Bank of Canada	1.51%
Pembina Pipeline Corp.	1.47%
Amphenol Corp. Class A	1.45%
Cadence Design Systems Inc.	1.42%
Gartner Inc.	1.40%
Thermo Fisher Scientific Inc.	1.37%
Bank of Montreal	1.36%
Canadian Imperial Bank of Commerce	1.36%
Linde PLC	1.34%

*The issuer of this security is a related company to the issuer of the Fund.

Harbour Canadian Fund (CI) SF175

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	265,174	310,809	367,181	401,597	467,753	11,395	11,879	12,922	15,356	14,471
Generations I	57,245	63,477	78,261	94,160	107,017	1,096	1,076	1,215	1,583	1,452
Generations II	18,718	23,182	57,540	59,239	70,517	300	331	755	844	814
Generations Core	118,960	119,556	120,826	126,850	132,399	2,061	1,831	1,694	1,921	1,615
75/75 guarantee policy	48,822	74,672	84,882	100,041	106,196	944	1,276	1,327	1,690	1,444
75/100 guarantee policy	186,740	219,016	259,868	285,718	276,363	3,508	3,641	3,958	4,710	3,678
100/100 guarantee policy	59,832	65,924	78,394	96,592	117,785	1,078	1,055	1,154	1,545	1,525
PS1 75/75 guarantee policy	75,154	72,156	81,147	80,742	91,459	1,491	1,260	1,291	1,381	1,254
PS1 75/100 guarantee policy	143,177	169,154	189,593	172,434	206,013	2,766	2,882	2,949	2,892	2,775
PS1 100/100 guarantee policy	22,300	25,763	26,347	31,853	13,486	413	422	396	517	176
PS2 75/75 guarantee policy	5,065	6,273	9,729	11,783	5,085	139	148	204	259	87
PS2 75/100 guarantee policy	14,896	15,419	15,606	15,921	17,133	410	364	327	351	295
PS2 100/100 guarantee policy	1,275	1,313	2,239	2,317	1,552	35	31	47	51	27
PS 75/100 guarantee policy	—	—	—	—	1,326	—	—	—	—	14
PPS 75/100 guarantee policy	3,825	2,931	2,484	3,395	—	63	42	32	47	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	42.97	38.22	35.19	38.24	30.94	4.75	3.03
Generations I	19.15	16.95	15.53	16.81	13.57	2.20	1.42
Generations II	16.05	14.26	13.12	14.25	11.54	1.79	1.14
Generations Core	17.33	15.32	14.02	15.15	12.20	2.01	1.30
75/75 guarantee policy	19.33	17.08	15.64	16.89	13.60	2.25	1.44
75/100 guarantee policy	18.78	16.62	15.23	16.49	13.31	2.16	1.39
100/100 guarantee policy	18.01	16.01	14.72	15.99	12.95	2.00	1.29
PS1 75/75 guarantee policy	19.84	17.46	15.90	17.11	13.71	2.38	1.56
PS1 75/100 guarantee policy	19.32	17.04	15.56	16.77	13.47	2.28	1.48
PS1 100/100 guarantee policy	18.52	16.39	15.01	16.23	13.08	2.13	1.38
PS2 75/75 guarantee policy	27.48	23.59	20.98	22.01	17.19	3.89	2.61
PS2 75/100 guarantee policy	27.48	23.59	20.98	22.01	17.19	3.89	2.61
PS2 100/100 guarantee policy	27.45	23.57	20.95	21.99	17.17	3.88	2.62
PS 75/100 guarantee policy	—	—	—	—	10.89	—	—
PPS 75/100 guarantee policy	16.45	14.35	12.96	13.82	—	2.10	1.39

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Harbour Canadian Fund (CI) SF175 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Harbour Canadian Fund (CI) SF175

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Harbour Canadian Fund (CI) SF175

Supplemental Information *(unaudited)*

PSThe following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.54	3.51	3.50	3.53	3.52
Generations I	3.04	3.02	3.12	3.31	3.30
Generations II	3.45	3.42	3.47	3.58	3.57
Generations Core	2.93	2.91	2.94	3.03	3.03
75/75 guarantee policy	2.93	2.91	2.94	3.03	3.03
75/100 guarantee policy	3.04	3.02	3.12	3.30	3.30
100/100 guarantee policy	3.45	3.42	3.47	3.58	3.57
PS1 75/75 guarantee policy	2.47	2.45	2.48	2.58	2.58
PS1 75/100 guarantee policy	2.69	2.67	2.69	2.80	2.78
PS1 100/100 guarantee policy	3.02	3.00	3.04	3.13	3.12
PS 75/100 guarantee policy	—	—	—	—	2.21
PPS 75/100 guarantee policy	1.59	1.57	1.61	1.70	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.10	0.64	103.43	15.27	9.30

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
TRUE NORTH FUND (FIDELITY) SF176

December 31, 2024

Independent Auditor's Report

To the Contractholders of True North Fund (Fidelity) SF176 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

True North Fund (Fidelity) SF176

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 177	\$ 48
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	119
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	211,784	168,089
Total investments	211,784	168,089
Total assets	\$ 211,961	\$ 168,256
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	329	118
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	329	118
Net assets attributable to contractholders	\$ 211,632	\$ 168,138

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 32,388	\$ 19,482
Miscellaneous income (loss)	—	—
Total income (loss)	32,388	19,482
Expenses		
Management fees (note 8)	5,298	4,702
Other	579	509
Total expenses	5,877	5,211
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 26,511	\$ 14,271

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 168,138	\$ 159,480
Contractholder deposits	37,334	14,480
Contractholder withdrawals	(20,351)	(20,093)
Increase (decrease) in net assets from operations attributable to contractholders	26,511	14,271
Change in net assets attributable to contractholders	43,494	8,658
Net assets attributable to contractholders - end of year	\$ 211,632	\$ 168,138

True North Fund (Fidelity) SF176

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 26,511	\$ 14,271
Adjustments		
Realized (gains) losses	(2,710)	(4,987)
Unrealized (gains) losses	(19,725)	(4,758)
Gross proceeds of disposition of investments	9,751	20,251
Gross payments for the purchase of investments	(21,058)	(9,974)
Distribution income of underlying mutual fund	(9,953)	(9,737)
Change in due from/to The Canada Life Assurance Company	211	119
Change in due from/to brokers	119	51
	(16,854)	5,236
Financing Activities		
Contractholder deposits	37,334	14,480
Contractholder withdrawals	(20,351)	(20,093)
	16,983	(5,613)
Net increase (decrease) in cash, short-term deposits and overdrafts	129	(377)
Cash, short-term deposits and overdrafts, beginning of year	48	425
Cash, short-term deposits and overdrafts, end of year	\$ 177	\$ 48

True North Fund (Fidelity) SF176

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity True North Fund Series O	3,010,775	153,711	211,784
Total Investments		153,711	211,784

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	5.51%
The Toronto-Dominion Bank	4.42%
Alimentation Couche-Tard Inc.	3.79%
Fairfax Financial Holdings Ltd. sub. voting	3.78%
Shopify Inc.	3.54%
Agnico Eagle Mines Ltd.	3.43%
Constellation Software Inc.	3.35%
Canadian Natural Resources Ltd.	3.23%
Intact Financial Corp.	3.17%
AtkinsRealis Group Inc.	3.09%
Franco-Nevada Corp.	2.92%
TMX Group Ltd.	2.85%
Rogers Communications Inc. Class B non-voting	2.46%
TC Energy Corp.	2.34%
Fortis Inc.	2.16%
George Weston Ltd.	2.13%
Brookfield Corp.	1.83%
Thomson Reuters Corp.	1.74%
Metro Inc.	1.73%
WSP Global Inc.	1.59%
CGI Group Inc. Class A sub. voting	1.46%
Dollarama Inc.	1.37%
Manulife Financial Corp.	1.33%
Bombardier Inc. Class B sub. voting	1.23%
Saputo Inc.	1.20%

True North Fund (Fidelity) SF176

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	576,340	678,516	793,416	879,969	981,028	36,480	37,428	40,269	47,793	43,797
Generations I	227,091	267,582	309,446	339,606	327,805	6,662	6,834	7,264	8,521	6,753
Generations II	62,856	70,609	89,841	95,837	114,439	1,389	1,363	1,598	1,827	1,796
Generations Core	115,081	132,626	142,749	154,350	179,631	2,770	2,770	2,731	3,146	2,996
75/75 guarantee policy	784,762	600,548	560,592	430,660	311,894	23,403	15,538	13,287	10,875	6,445
75/100 guarantee policy	1,678,706	1,577,650	1,587,263	1,297,226	986,928	48,248	39,472	36,499	31,885	19,918
100/100 guarantee policy	290,066	263,599	239,512	244,144	233,579	7,993	6,341	5,310	5,801	4,570
PS1 75/75 guarantee policy	605,888	466,882	436,373	374,101	178,673	18,027	12,003	10,235	9,311	3,624
PS1 75/100 guarantee policy	1,773,720	1,395,273	1,384,987	1,026,281	549,706	51,411	35,023	31,788	25,049	10,960
PS1 100/100 guarantee policy	186,905	143,753	139,462	106,393	92,977	5,187	3,466	3,085	2,511	1,798
PS2 75/75 guarantee policy	68,939	53,851	52,400	55,423	50,335	2,871	1,887	1,631	1,783	1,285
PS2 75/100 guarantee policy	78,262	72,586	77,124	51,631	36,035	3,255	2,539	2,397	1,658	919
PS2 100/100 guarantee policy	10,085	9,877	11,144	8,975	—	417	344	344	287	—
PS 75/75 guarantee policy	13,293	8,540	7,757	3,268	2,193	239	132	109	48	26
PS 75/100 guarantee policy	92,779	92,297	97,520	50,182	10,758	1,636	1,401	1,346	732	127
PS 100/100 guarantee policy	3,224	21,333	21,550	23,184	—	56	317	292	333	—
PPS 75/75 guarantee policy	2,840	10,000	12,180	7,622	—	52	157	173	114	—
PPS 75/100 guarantee policy	73,663	61,453	58,224	23,914	2,568	1,343	959	822	355	31
PPS 100/100 guarantee policy	10,866	10,773	21,696	41,230	—	193	164	300	602	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	63.30	55.16	50.75	54.31	44.64	8.14	4.41
Generations I	29.34	25.54	23.47	25.09	20.60	3.80	2.07
Generations II	22.11	19.30	17.78	19.06	15.69	2.81	1.52
Generations Core	24.07	20.88	19.13	20.38	16.68	3.19	1.75
75/75 guarantee policy	29.82	25.87	23.70	25.25	20.66	3.95	2.17
75/100 guarantee policy	28.74	25.02	23.00	24.58	20.18	3.72	2.02
100/100 guarantee policy	27.55	24.05	22.17	23.76	19.56	3.50	1.88
PS1 75/75 guarantee policy	29.75	25.71	23.46	24.89	20.29	4.04	2.25
PS1 75/100 guarantee policy	28.99	25.10	22.95	24.41	19.94	3.89	2.15
PS1 100/100 guarantee policy	27.75	24.11	22.12	23.60	19.34	3.64	1.99
PS2 75/75 guarantee policy	41.65	35.04	31.13	32.17	25.53	6.61	3.91
PS2 75/100 guarantee policy	41.58	34.98	31.08	32.12	25.49	6.60	3.90
PS2 100/100 guarantee policy	41.37	34.80	30.92	31.95	—	6.57	3.88
PS 75/75 guarantee policy	18.02	15.46	14.00	14.76	11.94	2.56	1.46
PS 75/100 guarantee policy	17.63	15.18	13.80	14.59	11.85	2.45	1.38
PS 100/100 guarantee policy	17.23	14.88	13.56	14.38	—	2.35	1.32
PPS 75/75 guarantee policy	18.41	15.73	14.20	14.90	—	2.68	1.53
PPS 75/100 guarantee policy	18.23	15.61	14.12	14.85	12.00	2.62	1.49
PPS 100/100 guarantee policy	17.75	15.26	13.84	14.61	—	2.49	1.42

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The True North Fund (Fidelity) SF176 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

True North Fund (Fidelity) SF176

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

True North Fund (Fidelity) SF176

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.53	3.50	3.49	3.49	3.49
Generations I	3.42	3.39	3.38	3.38	3.38
Generations II	3.70	3.66	3.66	3.66	3.66
Generations Core	3.09	3.06	3.05	3.05	3.05
75/75 guarantee policy	3.09	3.06	3.04	3.04	3.05
75/100 guarantee policy	3.42	3.39	3.38	3.37	3.38
100/100 guarantee policy	3.70	3.66	3.66	3.65	3.66
PS1 75/75 guarantee policy	2.68	2.65	2.64	2.63	2.64
PS1 75/100 guarantee policy	2.90	2.87	2.86	2.85	2.87
PS1 100/100 guarantee policy	3.23	3.21	3.19	3.19	3.20
PS 75/75 guarantee policy	1.97	1.95	1.93	1.94	1.94
PS 75/100 guarantee policy	2.30	2.28	2.27	2.28	2.27
PS 100/100 guarantee policy	2.58	2.56	2.56	2.56	—
PPS 75/75 guarantee policy	1.56	1.55	1.54	1.55	—
PPS 75/100 guarantee policy	1.78	1.77	1.75	1.77	1.75
PPS 100/100 guarantee policy	2.13	2.10	2.10	2.10	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.15	5.71	8.16	10.05	4.65

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (HOWSON TATTERSALL)
SF177

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (Howson Tattersall) SF177 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (Howson Tattersall) SF177

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	1
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	8,429	8,630
Total investments	8,429	8,630
Total assets	\$ 8,429	\$ 8,631
Liabilities		
Overdrafts	\$ —	\$ 1
Due to The Canada Life Assurance Company (note 8)	14	11
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	14	12
Net assets attributable to contractholders	\$ 8,415	\$ 8,619

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,599	\$ 901
Miscellaneous income (loss)	—	—
Total income (loss)	1,599	901
Expenses		
Management fees (note 8)	246	280
Other	27	31
Total expenses	273	311
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,326	\$ 590

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 8,619	\$ 10,513
Contractholder deposits	302	46
Contractholder withdrawals	(1,832)	(2,530)
Increase (decrease) in net assets from operations attributable to contractholders	1,326	590
Change in net assets attributable to contractholders	(204)	(1,894)
Net assets attributable to contractholders - end of year	\$ 8,415	\$ 8,619

Canadian Equity Fund (Howson Tattersall) SF177

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,326	\$ 590
Adjustments		
Realized (gains) losses	(409)	(368)
Unrealized (gains) losses	(748)	(55)
Gross proceeds of disposition of investments	2,138	2,829
Gross payments for the purchase of investments	(338)	(31)
Distribution income of underlying mutual fund	(442)	(478)
Change in due from/to The Canada Life Assurance Company	3	(3)
Change in due from/to brokers	1	2
	<u>1,531</u>	<u>2,486</u>
Financing Activities		
Contractholder deposits	302	46
Contractholder withdrawals	(1,832)	(2,530)
	<u>(1,530)</u>	<u>(2,484)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	1	2
Cash, short-term deposits and overdrafts, beginning of year	(1)	(3)
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ (1)

Canadian Equity Fund (Howson Tattersall) SF177

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Howson Tattersall Canadian Value Equity Pool *	440,274	6,560	8,429
Total Investments		6,560	8,429

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	8.30%
The Toronto-Dominion Bank	4.93%
Canadian Natural Resources Ltd.	3.80%
Canadian Pacific Kansas City Ltd.	3.73%
Bank of Montreal	3.55%
Canadian National Railway Co.	3.52%
Brookfield Corp.	3.31%
Agnico Eagle Mines Ltd.	3.14%
Suncor Energy Inc.	3.08%
Sun Life Financial Inc.	2.98%
CGI Group Inc. Class A sub. voting	2.91%
The Bank of Nova Scotia	2.89%
Manulife Financial Corp.	2.63%
Alimentation Couche-Tard Inc.	2.57%
Intact Financial Corp.	2.23%
Enbridge Inc.	2.09%
TC Energy Corp.	2.01%
Dollarama Inc.	1.96%
Loblaw Companies Ltd.	1.93%
Kinross Gold Corp.	1.86%
Onex Corp. sub. voting	1.82%
CCL Industries Inc. Class B non-voting	1.76%
Canadian Western Bank	1.68%
AtkinsRealis Group Inc.	1.62%
TELUS Corp.	1.45%

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Equity Fund (Howson Tattersall) SF177

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	60,892	65,093	82,166	85,453	91,100	2,259	2,068	2,462	2,658	2,279
Generations I	17,298	24,891	38,367	37,799	39,669	427	525	763	778	656
Generations II	8,092	9,466	11,053	11,739	14,697	181	181	200	221	223
Generations Core	10,623	12,126	12,146	14,713	15,397	260	253	238	297	248
75/75 guarantee policy	16,664	23,520	27,199	31,902	34,863	449	539	585	708	618
75/100 guarantee policy	66,433	85,384	104,312	124,055	146,093	1,713	1,883	2,166	2,669	2,524
100/100 guarantee policy	43,437	53,736	91,623	103,082	116,882	1,073	1,138	1,833	2,142	1,956
PS1 75/75 guarantee policy	25,594	25,713	28,459	25,728	24,860	715	609	629	584	449
PS1 75/100 guarantee policy	41,517	47,881	54,315	58,492	57,098	1,129	1,106	1,173	1,300	1,012
PS1 100/100 guarantee policy	1,424	2,026	2,445	2,718	3,004	37	45	51	59	52
PS2 75/75 guarantee policy	—	2,378	2,430	2,483	2,536	—	76	70	72	58
PS2 75/100 guarantee policy	—	907	929	952	976	—	29	27	27	22
PS2 100/100 guarantee policy	4,470	5,240	10,936	11,324	11,728	172	167	316	328	263

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	37.09	31.77	29.97	31.10	25.02	5.32	1.80
Generations I	24.68	21.11	19.88	20.60	16.54	3.57	1.23
Generations II	22.36	19.17	18.11	18.81	15.15	3.19	1.06
Generations Core	24.51	20.87	19.56	20.18	16.13	3.64	1.31
75/75 guarantee policy	26.94	22.94	21.50	22.18	17.73	4.00	1.44
75/100 guarantee policy	25.78	22.05	20.77	21.52	17.28	3.73	1.28
100/100 guarantee policy	24.70	21.18	20.00	20.78	16.74	3.52	1.18
PS1 75/75 guarantee policy	27.94	23.68	22.10	22.69	18.06	4.26	1.58
PS1 75/100 guarantee policy	27.18	23.09	21.59	22.22	17.72	4.09	1.50
PS1 100/100 guarantee policy	26.06	22.21	20.84	21.52	17.22	3.85	1.37
PS2 75/75 guarantee policy	—	31.81	28.93	28.95	22.46	—	2.88
PS2 75/100 guarantee policy	—	31.82	28.93	28.95	22.46	—	2.89
PS2 100/100 guarantee policy	38.55	31.83	28.95	28.96	22.47	6.72	2.88

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Equity Fund (Howson Tattersall) SF177 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Equity Fund (Howson Tattersall) SF177

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Equity Fund (Howson Tattersall) SF177

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.69	3.66	3.66	3.65	3.62
Generations I	3.52	3.49	3.49	3.48	3.45
Generations II	3.80	3.77	3.77	3.76	3.74
Generations Core	3.07	3.05	3.05	3.03	3.00
75/75 guarantee policy	3.07	3.05	3.05	3.04	3.01
75/100 guarantee policy	3.52	3.49	3.50	3.48	3.45
100/100 guarantee policy	3.80	3.77	3.77	3.76	3.72
PS1 75/75 guarantee policy	2.61	2.59	2.58	2.57	2.54
PS1 75/100 guarantee policy	2.83	2.81	2.81	2.79	2.77
PS1 100/100 guarantee policy	3.17	3.14	3.14	3.13	3.10

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.01	0.32	3.51	0.93	4.29

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. VALUE FUND S-178LL

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Value Fund S-178LL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Value Fund S-178LL

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 3,079	\$ 2,515
Investment income due and accrued	206	169
Due from The Canada Life Assurance Company (note 7)	220	—
Due from brokers	—	775
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	193,780	163,614
Investment fund units	—	—
Total investments	193,780	163,614
Total assets	\$ 197,285	\$ 167,073
Liabilities		
Overdrafts	\$ —	\$ 22
Due to The Canada Life Assurance Company (note 7)	—	11
Due to brokers	—	450
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	483
Net assets attributable to contractholders	\$ 197,285	\$ 166,590

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 43,261	\$ 37,982
Miscellaneous income (loss)	205	2
Total income (loss)	43,466	37,984
Expenses		
Management fees (note 7)	585	519
Transaction costs	113	107
Withholding taxes	506	364
Other	56	50
Total expenses	1,260	1,040
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 42,206	\$ 36,944

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 166,590	\$ 148,979
Contractholder deposits	12,949	5,426
Contractholder withdrawals	(24,460)	(24,759)
Increase (decrease) in net assets from operations attributable to contractholders	42,206	36,944
Change in net assets attributable to contractholders	30,695	17,611
Net assets attributable to contractholders - end of year	\$ 197,285	\$ 166,590

U.S. Value Fund S-178LL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 42,206	\$ 36,944
Adjustments		
Realized (gains) losses	(33,425)	(20,403)
Unrealized (gains) losses	(6,201)	(14,704)
Gross proceeds of disposition of investments	189,638	173,001
Gross payments for the purchase of investments	(180,178)	(154,992)
Change in investment income due and accrued	(37)	51
Change in due from/to The Canada Life Assurance Company	(231)	(14)
Change in due from/to brokers	325	(105)
Change in due from/to outside parties	—	—
	12,097	19,778
Financing Activities		
Contractholder deposits	12,949	5,426
Contractholder withdrawals	(24,460)	(24,759)
	(11,511)	(19,333)
Net increase (decrease) in cash, short-term deposits and overdrafts	586	445
Cash, short-term deposits and overdrafts, beginning of year	2,493	2,048
Cash, short-term deposits and overdrafts, end of year	\$ 3,079	\$ 2,493
Supplementary cash flow information		
Dividend income received	\$ 3,461	\$ 2,810

U.S. Value Fund S-178LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	5,276	920	1,436
AT&T Inc.	70,236	1,873	2,299
Lumen Technologies Inc.	67,182	521	513
Meta Platforms Inc.	1,699	1,369	1,430
News Corp. Class A	36,749	808	1,455
Verizon Communications Inc.	41,309	2,386	2,375
Consumer Discretionary			
Amazon.com Inc.	18,742	6,056	5,912
Booking Holdings Inc.	234	1,264	1,672
Lennar Corp. Class A	2,084	483	409
Nike Inc. Class B	17,267	1,897	1,879
PulteGroup Inc.	1,930	120	302
Target Corp.	9,288	1,878	1,805
The Home Depot Inc.	732	355	409
Consumer Staples			
Colgate Palmolive Co.	13,572	1,335	1,774
CVS Health Corp.	26,437	2,237	1,706
Maplebear Inc.	7,872	464	469
Mondelez International Inc.	5,200	500	447
PepsiCo Inc.	8,019	1,793	1,753
Philip Morris International Inc.	13,833	2,090	2,394
The Kroger Co.	23,978	1,433	2,108
The Procter & Gamble Co.	15,279	2,916	3,683
Walmart Inc.	21,539	1,494	2,798
Energy			
Exxon Mobil Corp.	13,285	1,941	2,055
Kinder Morgan Inc.	5,837	171	230
Murphy Oil Corp.	24,292	1,194	1,057
Ovintiv Inc.	24,320	1,495	1,416
Schlumberger Ltd.	14,102	868	777
SM Energy Co.	21,324	1,165	1,188

U.S. Value Fund S-178LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Energy (continued)			
The Williams Companies Inc.	6,952	529	541
Financials			
Bank of America Corp.	48,374	2,708	3,057
Berkshire Hathaway Inc. Class B	3,976	1,294	2,591
BlackRock Inc.	1,311	1,425	1,932
Blue Owl Capital Corp.	1	-	-
Cadence Bank	16,334	858	809
Capital One Financial Corp.	4,950	824	1,269
CME Group Inc.	1,534	376	512
Columbia Banking System Inc.	20,513	877	797
Comerica Inc.	14,888	1,333	1,324
Fidelity National Financial Inc.	2,786	236	225
Hancock Whitney Corp.	9,557	691	752
JPMorgan Chase & Co.	11,970	2,037	4,126
MGIC Investment Corp.	3,493	60	119
S&P Global Inc.	602	410	431
SLM Corp.	7,491	229	297
Synchrony Financial	18,534	831	1,732
The Allstate Corp.	7,666	1,060	2,125
The Goldman Sachs Group Inc.	3,919	1,721	3,227
The Travelers Companies Inc.	3,179	781	1,101
Wells Fargo & Co.	28,186	1,676	2,847
Health Care			
Abbott Laboratories	6,498	1,006	1,057
Becton, Dickinson and Co.	1,255	392	409
Cardinal Health Inc.	2,783	305	473
Cencora Inc.	283	92	91
Doximity Inc.	7,493	629	575
Exelixis Inc.	12,298	379	589
Gilead Sciences Inc.	13,557	1,375	1,801
HCA Healthcare Inc.	3,860	1,662	1,666
Incyte Corp.	8,446	737	839

U.S. Value Fund S-178LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Health Care (continued)			
Johnson & Johnson Inc.	7,621	1,590	1,585
McKesson Corp.	2,643	2,230	2,166
Merck & Co. Inc.	7,403	1,167	1,059
ResMed Inc.	5,112	1,332	1,681
Sarepta Therapeutics Inc.	407	73	71
Teleflex Inc.	2,295	720	587
Tenet Healthcare Corp.	7,453	1,496	1,353
UnitedHealth Group Inc.	6,144	4,011	4,469
Universal Health Services Inc. Class B	4,704	1,200	1,214
Industrials			
ADT Inc.	79,577	833	791
Alaska Air Group Inc.	10,725	677	998
Core & Main Inc.	20,988	1,100	1,536
Delta Air Lines Inc.	8,239	729	717
Dun & Bradstreet Holdings Inc.	26,756	434	479
FedEx Corp.	4,667	1,653	1,888
GE Aerospace	10,152	1,012	2,435
Herc Holdings Inc.	605	187	165
Lockheed Martin Corp.	3,387	1,950	2,366
Masco Corp.	11,925	1,310	1,244
RTX Corp.	10,999	1,296	1,830
Textron Inc.	12,226	1,183	1,345
TransUnion LLC	3,308	218	441
United Airlines Holdings Inc.	12,454	677	1,739
Wesco International Inc.	5,758	1,172	1,498
Information Technology			
Akamai Technologies Inc.	2,980	378	410
Apple Inc.	42,306	15,373	15,232
Applied Materials Inc.	642	150	150
Cisco Systems Inc.	4,032	337	343
Dell Technologies Inc.	5,765	921	955
Dropbox Inc.	33,392	1,046	1,442

U.S. Value Fund S-178LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology (continued)			
Fidelity National Information Services Inc.	16,082	1,688	1,868
Global Payments Inc.	1,021	168	165
Hewlett-Packard Enterprise Co.	61,323	1,136	1,882
Intel Corp.	76,628	3,010	2,209
Intuit Inc.	1,565	1,068	1,414
Jabil Inc.	1,493	239	309
Kyndryl Holdings Inc.	24,140	688	1,201
Lam Research Corp.	5,880	609	611
Microsoft Corp.	18,690	11,730	11,327
NetApp Inc.	9,379	1,645	1,565
Nutanix Inc.	15,508	1,240	1,364
Pure Storage Inc.	13,707	1,248	1,211
Salesforce Inc.	3,039	1,211	1,461
UiPath Inc. Class A	76,358	1,293	1,395
Universal Display Corp.	2,838	616	597
Materials			
DuPont de Nemours Inc.	10,700	1,152	1,173
Ecolab Inc.	2,782	812	937
Freeport-McMoRan Copper & Gold Inc.	11,348	739	621
PPG Industries Inc.	7,602	1,425	1,306
Real Estate			
Brixmor Property Group Inc. REIT	30,226	874	1,210
Kite REIT	16,563	606	601
Lamar Advertising Co. REIT	5,763	1,019	1,009
Rithm Capital Corp. REIT	21,476	330	334
Sabra Health Care REIT Inc.	32,585	818	811
Simon Property Group Inc.	7,068	1,139	1,750
Ventas Inc. REIT	19,598	1,279	1,659
VICI Properties Inc. REIT	2,542	114	107
Welltower Inc. REIT	6,865	982	1,244

U.S. Value Fund S-178LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Utilities			
Dominion Energy Inc.	25,583	1,459	1,981
Edison International	15,454	1,398	1,774
National Fuel Gas Co.	9,253	692	807
NRG Energy Inc.	2,635	366	342
PG&E Corp.	66,399	1,616	1,927
Total United States Common Stock		158,423	183,426
Global Common Stock			
Bermuda			
Everest Group Ltd.	3,023	1,536	1,575
Ireland			
Alkermes Public Ltd. Co.	12,645	467	523
Medtronic Co. PLC	21,224	2,530	2,438
Liberia			
Royal Caribbean Group	4,887	617	1,621
Panama			
Carnival Corp.	45,263	976	1,622
United Kingdom			
Gates Industrial Corp. PLC	38,762	852	1,146
TechnipFMC PLC	34,333	1,026	1,429
Total Global Common Stock		8,004	10,354
Total Stocks		166,427	193,780
Transaction Costs (note 2)		(52)	
Total Investments		166,375	193,780

U.S. Value Fund S-178LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the U.S. Value Fund S-178LL (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

U.S. Value Fund S-178LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 193,780	\$ —	\$ 193,780	\$ 1,938
Total	\$ 193,780	\$ —	\$ 193,780	\$ 1,938
As Percent of Net Assets Attributable to Contractholders				98.2%
				1.0%

*includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 163,614	\$ 2,492	\$ 166,106	\$ 1,661
Total	\$ 163,614	\$ 2,492	\$ 166,106	\$ 1,661
As Percent of Net Assets Attributable to Contractholders				99.7%
				1.0%

*includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,938 (\$1,636 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

U.S. Value Fund S-178LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 193,780	\$ —	\$ —	\$ 193,780
Total assets measured at fair value	\$ 193,780	\$ —	\$ —	\$ 193,780

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 163,614	\$ —	\$ —	\$ 163,614
Total assets measured at fair value	\$ 163,614	\$ —	\$ —	\$ 163,614

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

U.S. Value Fund S-178LL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	374,704	411,988	457,562	487,939	381,856	8,010	7,130	6,456	7,226	4,582
Generations I	74,367	90,533	96,381	100,821	105,267	2,150	2,114	1,831	2,006	1,693
Generations II	33,518	39,759	49,742	54,197	92,894	916	880	898	1,028	1,428
Generations Core	71,486	102,178	111,959	117,293	130,127	2,115	2,437	2,167	2,373	2,123
75/75 guarantee policy	48,303	54,570	60,449	73,735	88,042	1,941	1,768	1,589	2,026	1,951
75/100 guarantee policy	82,127	96,759	119,079	127,883	161,787	3,208	3,053	3,057	3,438	3,516
100/100 guarantee policy	26,874	31,199	34,191	38,435	46,184	1,007	947	847	999	974
PS1 75/75 guarantee policy	27,121	21,816	25,150	25,310	21,875	1,023	660	615	644	447
PS1 75/100 guarantee policy	46,641	48,654	58,724	69,104	69,202	1,697	1,424	1,393	1,710	1,379
PS1 100/100 guarantee policy	5,897	8,134	9,733	12,759	13,698	204	228	222	304	264
PS2 75/75 guarantee policy	3,862	5,206	5,127	5,232	5,595	194	205	159	165	139
PS2 75/100 guarantee policy	2,965	3,243	7,075	7,176	8,015	149	128	220	227	199
PS2 100/100 guarantee policy	3,950	4,046	1,848	1,892	1,938	198	159	57	60	48
PS 75/100 guarantee policy	—	—	—	137	2,347	—	—	—	2	23
PPS 75/100 guarantee policy	10,308	3,728	3,457	—	—	191	55	41	—	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	21.38	17.31	14.11	14.81	12.00	4.07	3.20
Generations I	28.91	23.35	19.00	19.90	16.08	5.56	4.35
Generations II	27.33	22.13	18.06	18.96	15.37	5.20	4.07
Generations Core	29.59	23.85	19.36	20.23	16.32	5.74	4.49
75/75 guarantee policy	40.19	32.39	26.29	27.48	22.16	7.80	6.10
75/100 guarantee policy	39.06	31.55	25.67	26.89	21.73	7.51	5.88
100/100 guarantee policy	37.47	30.35	24.76	26.00	21.08	7.12	5.59
PS1 75/75 guarantee policy	37.72	30.26	24.46	25.44	20.43	7.46	5.80
PS1 75/100 guarantee policy	36.39	29.27	23.72	24.75	19.92	7.12	5.55
PS1 100/100 guarantee policy	34.67	28.00	22.78	23.85	19.28	6.67	5.22
PS2 75/75 guarantee policy	50.13	39.32	31.07	31.61	24.81	10.81	8.25
PS2 75/100 guarantee policy	50.16	39.35	31.09	31.63	24.83	10.81	8.26
PS2 100/100 guarantee policy	50.09	39.29	31.05	31.58	24.79	10.80	8.24
PS 75/100 guarantee policy	—	—	—	12.02	9.61	—	—
PPS 75/100 guarantee policy	18.53	14.74	11.82	—	—	3.79	2.92

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

U.S. Value Fund S-178LL

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Value Fund S-178LL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.16	3.13	3.14	3.14	3.15
Generations I	2.94	2.91	2.92	2.93	2.93
Generations II	3.21	3.19	3.19	3.22	3.20
Generations Core	2.72	2.69	2.70	2.71	2.71
75/75 guarantee policy	2.72	2.69	2.70	2.71	2.71
75/100 guarantee policy	2.94	2.91	2.92	2.93	2.93
100/100 guarantee policy	3.21	3.19	3.19	3.21	3.20
PS1 75/75 guarantee policy	2.26	2.24	2.24	2.25	2.26
PS1 75/100 guarantee policy	2.53	2.51	2.52	2.53	2.53
PS1 100/100 guarantee policy	2.92	2.90	2.90	2.91	2.91
PS 75/100 guarantee policy	—	—	—	1.85	1.83
PPS 75/100 guarantee policy	1.43	1.42	1.43	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	102.33	100.04	109.18	161.36	100.74

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL EQUITY FUND (CI) SF182

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Equity Fund (CI) SF182 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Equity Fund (CI) SF182

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	1
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	3,454	3,457
Total investments	3,454	3,457
Total assets	\$ 3,454	\$ 3,458
Liabilities		
Overdrafts	\$ 21	\$ 1
Due to The Canada Life Assurance Company (note 8)	1	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	22	1
Net assets attributable to contractholders	\$ 3,432	\$ 3,457

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 380	\$ 531
Miscellaneous income (loss)	—	—
Total income (loss)	380	531
Expenses		
Management fees (note 8)	98	94
Other	10	9
Total expenses	108	103
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 272	\$ 428

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 3,457	\$ 3,553
Contractholder deposits	187	18
Contractholder withdrawals	(484)	(542)
Increase (decrease) in net assets from operations attributable to contractholders	272	428
Change in net assets attributable to contractholders	(25)	(96)
Net assets attributable to contractholders - end of year	\$ 3,432	\$ 3,457

International Equity Fund (CI) SF182

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 272	\$ 428
Adjustments		
Realized (gains) losses	(114)	(51)
Unrealized (gains) losses	(180)	(392)
Gross proceeds of disposition of investments	644	653
Gross payments for the purchase of investments	(261)	(25)
Distribution income of underlying mutual fund	(86)	(88)
Change in due from/to The Canada Life Assurance Company	2	(2)
Change in due from/to brokers	—	1
	<u>277</u>	<u>524</u>
Financing Activities		
Contractholder deposits	187	18
Contractholder withdrawals	(484)	(542)
	<u>(297)</u>	<u>(524)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(20)	—
Cash, short-term deposits and overdrafts, beginning of year	(1)	(1)
Cash, short-term deposits and overdrafts, end of year	\$ (21)	\$ (1)

International Equity Fund (CI) SF182

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life International Equity Fund Series S *	262,662	2,902	3,454
Total Investments		2,902	3,454

Top 25 Holdings

Security Description	% of Total
Sony Group Corp.	3.03%
ASML Holding NV	2.70%
Deutsche Telekom AG	2.63%
DBS Group Holdings Ltd.	2.38%
3i Group PLC	2.33%
AstraZeneca PLC	2.29%
Shell PLC	2.29%
Novo Nordisk AS	2.20%
SAP SE	2.19%
RELX PLC	2.17%
ITOCHU Corp.	2.04%
Volvo AB Series B	1.91%
UniCredit SPA	1.82%
Nestle SA	1.80%
LVMH Moet Hennessy Louis Vuitton SE	1.72%
Mitsubishi UFJ Financial Group Inc.	1.71%
Shin-Etsu Chemical Co. Ltd.	1.65%
Cash and short-term deposits	1.61%
London Stock Exchange Group PLC	1.61%
Terumo Corp.	1.61%
Hitachi Ltd.	1.59%
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	1.59%
Air Liquide SA	1.58%
Safran SA	1.57%
InterContinental Hotels Group PLC	1.56%

*The issuer of this security is a related company to the issuer of the Fund.

International Equity Fund (CI) SF182

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	101,313	114,745	133,464	159,582	200,517	865	918	954	1,215	1,479
Generations I	14,496	16,651	21,550	29,148	31,225	200	214	246	353	366
Generations II	3,067	3,878	6,151	15,118	4,946	37	44	62	162	51
Generations Core	7,443	7,607	6,724	18,934	7,349	98	93	73	217	81
75/75 guarantee policy	26,428	39,253	44,764	50,292	59,851	546	754	763	906	1,040
75/100 guarantee policy	21,528	24,792	27,956	40,830	49,539	432	463	464	718	842
100/100 guarantee policy	4,942	6,571	6,517	7,126	7,098	94	117	103	120	116
PS1 75/75 guarantee policy	15,572	11,679	20,186	25,259	27,535	339	235	359	473	495
PS1 75/100 guarantee policy	26,692	19,393	18,291	23,076	23,912	557	375	314	418	418
PS2 75/75 guarantee policy	2,531	2,597	2,661	838	860	78	72	63	20	20
PS2 75/100 guarantee policy	6,056	6,213	6,373	8,179	8,432	186	172	152	200	193
PS2 100/100 guarantee policy	—	—	—	—	6	—	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	8.54	8.00	7.15	7.61	7.38	0.54	0.85
Generations I	13.81	12.86	11.43	12.11	11.71	0.95	1.43
Generations II	12.04	11.26	10.05	10.69	10.37	0.78	1.21
Generations Core	13.13	12.20	10.82	11.44	11.03	0.93	1.38
75/75 guarantee policy	20.69	19.21	17.04	18.02	17.38	1.48	2.17
75/100 guarantee policy	20.06	18.67	16.59	17.58	17.00	1.39	2.08
100/100 guarantee policy	19.02	17.78	15.87	16.89	16.38	1.24	1.91
PS1 75/75 guarantee policy	21.76	20.13	17.77	18.72	17.97	1.63	2.36
PS1 75/100 guarantee policy	20.87	19.36	17.16	18.13	17.46	1.51	2.20
PS2 75/75 guarantee policy	30.77	27.74	23.89	24.51	22.89	3.03	3.85
PS2 75/100 guarantee policy	30.74	27.72	23.87	24.49	22.87	3.02	3.85
PS2 100/100 guarantee policy	—	—	—	—	22.83	—	—

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The International Equity Fund (CI) SF182 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

International Equity Fund (CI) SF182

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

International Equity Fund (CI) SF182

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.82	3.76	3.71	3.70	3.71
Generations I	3.21	3.16	3.28	3.48	3.49
Generations II	3.63	3.57	3.64	3.81	3.82
Generations Core	2.99	2.94	3.04	3.26	3.28
75/75 guarantee policy	2.99	2.94	3.05	3.27	3.27
75/100 guarantee policy	3.21	3.16	3.30	3.48	3.49
100/100 guarantee policy	3.63	3.57	3.64	3.81	3.81
PS1 75/75 guarantee policy	2.56	2.53	2.63	2.81	2.81
PS1 75/100 guarantee policy	2.90	2.86	2.96	3.13	3.13

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.58	2.53	2.63	2.81	2.81
PS1 75/100 guarantee policy	2.92	2.86	2.96	3.13	3.13

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.10	0.71	104.10	10.86	23.86

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL FUTURE FUND S-183MF

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Future Fund S-183MF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Future Fund S-183MF

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 250	\$ 731
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	556,418	454,527
Total investments	556,418	454,527
Total assets	\$ 556,668	\$ 455,258
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	328	80
Due to brokers	—	396
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	328	476
Net assets attributable to contractholders	\$ 556,340	\$ 454,782

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 80,039	\$ 61,501
Miscellaneous income (loss)	—	—
Total income (loss)	80,039	61,501
Expenses		
Management fees (note 8)	9,533	7,398
Other	1,056	815
Total expenses	10,589	8,213
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 69,450	\$ 53,288

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 454,782	\$ 382,161
Contractholder deposits	90,729	69,332
Contractholder withdrawals	(58,621)	(49,999)
Increase (decrease) in net assets from operations attributable to contractholders	69,450	53,288
Change in net assets attributable to contractholders	101,558	72,621
Net assets attributable to contractholders - end of year	\$ 556,340	\$ 454,782

Global Future Fund S-183MF

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 69,450	\$ 53,288
Adjustments		
Realized (gains) losses	(6,198)	(2,671)
Unrealized (gains) losses	(33,848)	(55,401)
Gross proceeds of disposition of investments	24,653	23,511
Gross payments for the purchase of investments	(46,505)	(33,724)
Distribution income of underlying mutual fund	(39,993)	(3,429)
Change in due from/to The Canada Life Assurance Company	248	(143)
Change in due from/to brokers	(396)	429
	(32,589)	(18,140)
Financing Activities		
Contractholder deposits	90,729	69,332
Contractholder withdrawals	(58,621)	(49,999)
	32,108	19,333
Net increase (decrease) in cash, short-term deposits and overdrafts	(481)	1,193
Cash, short-term deposits and overdrafts, beginning of year	731	(462)
Cash, short-term deposits and overdrafts, end of year	\$ 250	\$ 731

Global Future Fund S-183MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Growth Opportunities Fund Series S *	21,875,226	447,938	556,418
Total Investments		447,938	556,418

Top 25 Holdings

Security Description	% of Total
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%
Apple Inc.	3.91%
Microsoft Corp.	3.78%
Aon PLC	3.64%
Amazon.com Inc.	3.51%
Compass Group PLC	3.25%
Roper Technologies Inc.	3.20%
Schneider Electric SE	3.20%
Waste Connections Inc.	3.09%
Alcon Inc. ADR	3.08%
Verisk Analytics Inc. Class A	2.83%
Copart Inc.	2.81%
Stryker Corp.	2.66%
Gartner Inc.	2.51%
Cadence Design Systems Inc.	2.38%
Amphenol Corp. Class A	2.37%
Thermo Fisher Scientific Inc.	2.27%
RELX PLC	2.24%
Linde PLC	2.22%
Mastercard Inc. Class A	2.15%
S&P Global Inc.	2.15%
Cash and short-term deposits	2.14%
Wolters Kluwer NV	2.13%
Accenture PLC Class A	2.09%
Trane Technologies PLC	2.08%

*The issuer of this security is a related company to the issuer of the Fund.

Global Future Fund S-183MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	320,884	380,121	409,603	478,368	506,307	11,523	12,093	11,655	17,455	15,181
Generations I	92,356	113,274	134,638	194,034	242,332	3,237	3,503	3,710	6,830	6,982
Generations II	25,858	29,684	35,161	41,880	44,242	698	710	753	1,150	999
Generations Core	20,590	23,932	36,302	45,426	50,269	617	632	852	1,359	1,229
75/75 guarantee policy	1,350,929	1,362,275	1,384,396	1,205,940	724,424	51,178	45,443	41,059	45,593	22,372
75/100 guarantee policy	3,158,628	2,986,881	2,753,513	2,568,830	1,557,766	115,951	96,754	79,469	94,707	47,011
100/100 guarantee policy	157,242	175,243	171,888	186,160	165,546	5,425	5,358	4,702	6,533	4,775
PS1 75/75 guarantee policy	1,359,266	1,111,384	903,294	834,884	404,571	50,528	36,206	26,040	30,536	12,030
PS1 75/100 guarantee policy	3,268,144	2,605,841	2,250,405	1,858,471	920,872	116,586	81,740	62,674	65,888	26,631
PS1 100/100 guarantee policy	179,899	160,057	120,339	150,621	80,690	6,061	4,763	3,193	5,110	2,243
PS2 75/75 guarantee policy	165,424	145,937	261,252	119,834	67,468	8,485	6,391	9,866	5,595	2,496
PS2 75/100 guarantee policy	361,611	359,202	324,493	289,909	189,370	18,536	15,721	12,247	13,528	7,002
PS2 100/100 guarantee policy	2,262	2,631	—	—	—	116	115	—	—	—
PS 75/75 guarantee policy	136,932	134,077	106,568	89,041	53,789	2,347	2,001	1,399	1,473	719
PS 75/100 guarantee policy	247,188	239,557	195,344	132,078	36,944	4,179	3,535	2,540	2,169	491
PS 100/100 guarantee policy	3,269	9,142	2,798	4,257	3,094	54	132	36	69	41
PPS 75/75 guarantee policy	279,042	226,227	212,338	177,575	78,969	4,936	3,468	2,849	2,989	1,069
PPS 75/100 guarantee policy	566,569	439,080	432,786	397,983	113,464	9,809	6,610	5,721	6,623	1,523
PPS 100/100 guarantee policy	39,192	33,154	42,365	31,268	13,652	659	487	549	512	181

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	35.91	31.81	28.45	36.49	29.98	4.10	3.36
Generations I	35.05	30.93	27.56	35.20	28.81	4.12	3.37
Generations II	27.00	23.93	21.41	27.47	22.58	3.07	2.52
Generations Core	29.98	26.40	23.47	29.92	24.44	3.58	2.93
75/75 guarantee policy	37.88	33.36	29.66	37.81	30.88	4.52	3.70
75/100 guarantee policy	36.71	32.39	28.86	36.87	30.18	4.32	3.53
100/100 guarantee policy	34.50	30.58	27.36	35.09	28.85	3.92	3.22
PS1 75/75 guarantee policy	37.17	32.58	28.83	36.58	29.74	4.59	3.75
PS1 75/100 guarantee policy	35.67	31.37	27.85	35.45	28.92	4.30	3.52
PS1 100/100 guarantee policy	33.69	29.76	26.54	33.93	27.80	3.93	3.22
PS2 75/75 guarantee policy	51.29	43.79	37.77	46.69	37.00	7.50	6.02
PS2 75/100 guarantee policy	51.26	43.77	37.74	46.66	36.97	7.49	6.03
PS2 100/100 guarantee policy	51.13	43.66	—	—	—	7.47	6.01
PS 75/75 guarantee policy	17.14	14.93	13.12	16.55	13.37	2.21	1.81
PS 75/100 guarantee policy	16.91	14.75	13.00	16.43	13.30	2.16	1.75
PS 100/100 guarantee policy	16.45	14.42	12.76	16.19	13.16	2.03	1.66
PPS 75/75 guarantee policy	17.69	15.33	13.42	16.83	13.54	2.36	1.91
PPS 75/100 guarantee policy	17.31	15.05	13.22	16.64	13.43	2.26	1.83
PPS 100/100 guarantee policy	16.82	14.69	12.96	16.39	13.28	2.13	1.73

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Future Fund S-183MF (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Future Fund S-183MF

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Future Fund S-183MF

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.69	3.66	3.66	3.64	3.64
Generations I	3.30	3.27	3.28	3.26	3.25
Generations II	3.72	3.69	3.69	3.67	3.67
Generations Core	3.08	3.06	3.06	3.05	3.05
75/75 guarantee policy	3.08	3.06	3.05	3.03	3.03
75/100 guarantee policy	3.30	3.27	3.27	3.24	3.24
100/100 guarantee policy	3.72	3.69	3.69	3.67	3.66
PS1 75/75 guarantee policy	2.61	2.59	2.58	2.56	2.52
PS1 75/100 guarantee policy	2.94	2.92	2.91	2.89	2.86
PS1 100/100 guarantee policy	3.39	3.36	3.37	3.33	3.30
PS 75/75 guarantee policy	1.97	1.95	1.95	1.93	1.93
PS 75/100 guarantee policy	2.18	2.16	2.15	2.14	2.14
PS 100/100 guarantee policy	2.60	2.58	2.60	2.56	2.57
PPS 75/75 guarantee policy	1.49	1.48	1.48	1.46	1.43
PPS 75/100 guarantee policy	1.83	1.81	1.81	1.79	1.76
PPS 100/100 guarantee policy	2.27	2.25	2.25	2.23	2.20

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.61	2.59	2.58	2.56	2.56
PS1 75/100 guarantee policy	2.94	2.92	2.91	2.89	2.90
PS1 100/100 guarantee policy	3.39	3.36	3.37	3.33	3.34
PPS 75/75 guarantee policy	1.49	1.48	1.48	1.46	1.47
PPS 75/100 guarantee policy	1.83	1.81	1.81	1.79	1.80
PPS 100/100 guarantee policy	2.27	2.25	2.25	2.23	2.24

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.74	5.54	91.83	83.72	4.10

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL PORTFOLIO FUND (FIDELITY)
SF184

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Portfolio Fund (Fidelity) SF184 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Portfolio Fund (Fidelity) SF184

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 144	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	72
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	127,484	98,709
Total investments	127,484	98,709
Total assets	\$ 127,628	\$ 98,781
Liabilities		
Overdrafts	\$ —	\$ 80
Due to The Canada Life Assurance Company (note 8)	93	17
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	93	97
Net assets attributable to contractholders	\$ 127,535	\$ 98,684

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 14,723	\$ 16,184
Miscellaneous income (loss)	—	—
Total income (loss)	14,723	16,184
Expenses		
Management fees (note 8)	3,327	2,590
Other	327	251
Total expenses	3,654	2,841
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 11,069	\$ 13,343

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 98,684	\$ 83,017
Contractholder deposits	30,369	15,091
Contractholder withdrawals	(12,587)	(12,767)
Increase (decrease) in net assets from operations attributable to contractholders	11,069	13,343
Change in net assets attributable to contractholders	28,851	15,667
Net assets attributable to contractholders - end of year	\$ 127,535	\$ 98,684

International Portfolio Fund (Fidelity) SF184

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 11,069	\$ 13,343
Adjustments		
Realized (gains) losses	(1,749)	(2,345)
Unrealized (gains) losses	(10,724)	(12,341)
Gross proceeds of disposition of investments	5,492	9,464
Gross payments for the purchase of investments	(19,544)	(8,879)
Distribution income of underlying mutual fund	(2,250)	(1,498)
Change in due from/to The Canada Life Assurance Company	76	(38)
Change in due from/to brokers	72	(55)
	(17,558)	(2,349)
Financing Activities		
Contractholder deposits	30,369	15,091
Contractholder withdrawals	(12,587)	(12,767)
	17,782	2,324
Net increase (decrease) in cash, short-term deposits and overdrafts	224	(25)
Cash, short-term deposits and overdrafts, beginning of year	(80)	(55)
Cash, short-term deposits and overdrafts, end of year	\$ 144	\$ (80)

International Portfolio Fund (Fidelity) SF184

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity Global Fund Series O	1,069,626	89,109	127,484
Total Investments		89,109	127,484

Top 25 Holdings

Security Description	% of Total
Prosus NV	4.95%
Alibaba Group Holding Ltd.	4.05%
Finning International Inc.	3.90%
Barclays PLC	3.45%
Clarivate PLC	3.39%
Banco Bilbao Vizcaya Argentaria SA	3.15%
Siemens Energy AG	2.76%
Airbus SE	2.74%
Elis SA	2.53%
Reckitt Benckiser Group PLC	2.39%
Komatsu Ltd.	2.15%
UnitedHealth Group Inc.	2.11%
Koninklijke Philips NV	2.07%
Continental AG	2.02%
UBS Group AG	1.92%
Roche Holding AG	1.83%
Lundin Mining Corp.	1.82%
Thai Beverage PCL	1.80%
Toyota Industries Corp.	1.79%
BNP Paribas SA	1.78%
Amadeus IT Group SA	1.70%
Dollar Tree Inc.	1.69%
Anta Sports Products Ltd.	1.67%
Temenos AG	1.65%
Nestle SA	1.64%

International Portfolio Fund (Fidelity) SF184

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	420,033	468,623	545,309	585,309	630,020	9,557	9,658	9,708	12,567	12,233
Generations I	77,670	86,235	97,428	115,380	119,281	1,856	1,866	1,820	2,598	2,428
Generations II	38,576	44,267	84,117	81,458	74,977	825	860	1,415	1,657	1,383
Generations Core	58,819	65,063	75,163	93,626	96,865	1,375	1,373	1,366	2,045	1,908
75/75 guarantee policy	511,586	425,352	415,971	444,100	289,052	17,396	13,057	10,994	14,109	8,278
75/100 guarantee policy	1,003,109	899,505	880,639	952,512	853,619	33,120	26,884	22,724	29,626	23,998
100/100 guarantee policy	230,816	246,938	249,407	246,213	204,177	7,253	7,047	6,165	7,360	5,535
PS1 75/75 guarantee policy	326,200	225,172	187,011	336,063	149,641	11,707	7,266	5,175	11,134	4,451
PS1 75/100 guarantee policy	779,083	647,281	612,520	586,307	465,156	26,827	20,106	16,369	18,822	13,451
PS1 100/100 guarantee policy	103,644	68,423	73,795	84,255	51,050	3,376	2,019	1,882	2,592	1,421
PS2 75/75 guarantee policy	27,196	23,995	23,979	21,194	20,366	1,390	1,072	893	920	771
PS2 75/100 guarantee policy	47,854	50,083	43,032	37,107	21,572	2,446	2,238	1,603	1,610	817
PS2 100/100 guarantee policy	12,663	13,513	18,551	20,932	15,599	647	604	692	909	591
PS 75/75 guarantee policy	54,721	36,916	35,377	45,733	25,759	885	533	435	669	336
PS 75/100 guarantee policy	125,189	67,483	36,140	28,408	14,619	1,989	960	439	411	189
PS 100/100 guarantee policy	38,179	33,009	26,676	9,184	3,233	594	461	319	131	41
PPS 75/75 guarantee policy	114,423	25,296	20,753	23,154	16,967	1,899	373	260	343	223
PPS 75/100 guarantee policy	259,175	142,462	56,409	40,443	9,928	4,211	2,065	696	593	130
PPS 100/100 guarantee policy	11,510	17,091	5,141	18,144	4,003	182	242	62	262	52

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	22.75	20.61	17.80	21.47	19.42	2.14	2.81
Generations I	23.90	21.64	18.68	22.52	20.35	2.26	2.96
Generations II	21.39	19.43	16.83	20.35	18.45	1.96	2.60
Generations Core	23.38	21.11	18.17	21.85	19.69	2.27	2.94
75/75 guarantee policy	34.00	30.70	26.43	31.77	28.64	3.30	4.27
75/100 guarantee policy	33.02	29.89	25.80	31.10	28.11	3.13	4.09
100/100 guarantee policy	31.42	28.54	24.72	29.89	27.11	2.88	3.82
PS1 75/75 guarantee policy	35.89	32.27	27.67	33.13	29.75	3.62	4.60
PS1 75/100 guarantee policy	34.43	31.06	26.72	32.10	28.92	3.37	4.34
PS1 100/100 guarantee policy	32.57	29.51	25.50	30.77	27.84	3.06	4.01
PS2 75/75 guarantee policy	51.11	44.68	37.26	43.39	37.88	6.43	7.42
PS2 75/100 guarantee policy	51.11	44.68	37.26	43.39	37.88	6.43	7.42
PS2 100/100 guarantee policy	51.13	44.70	37.27	43.41	37.90	6.43	7.43
PS 75/75 guarantee policy	16.17	14.44	12.30	14.62	13.04	1.73	2.14
PS 75/100 guarantee policy	15.89	14.23	12.15	14.48	12.95	1.66	2.08
PS 100/100 guarantee policy	15.55	13.97	11.97	14.32	12.84	1.58	2.00
PPS 75/75 guarantee policy	16.60	14.76	12.52	14.82	13.17	1.84	2.24
PPS 75/100 guarantee policy	16.25	14.50	12.34	14.66	13.06	1.75	2.16
PPS 100/100 guarantee policy	15.79	14.15	12.10	14.44	12.92	1.64	2.05

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The International Portfolio Fund (Fidelity) SF184 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

International Portfolio Fund (Fidelity) SF184

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

International Portfolio Fund (Fidelity) SF184

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.55	3.52	3.51	3.51	3.50
Generations I	3.50	3.46	3.46	3.45	3.45
Generations II	3.83	3.79	3.78	3.78	3.77
Generations Core	3.22	3.19	3.18	3.18	3.18
75/75 guarantee policy	3.22	3.19	3.18	3.17	3.18
75/100 guarantee policy	3.50	3.46	3.45	3.45	3.45
100/100 guarantee policy	3.83	3.79	3.78	3.77	3.77
PS1 75/75 guarantee policy	2.82	2.79	2.80	2.77	2.77
PS1 75/100 guarantee policy	3.15	3.12	3.11	3.10	3.10
PS1 100/100 guarantee policy	3.59	3.55	3.55	3.53	3.53
PS 75/75 guarantee policy	2.12	2.09	2.09	2.08	2.08
PS 75/100 guarantee policy	2.39	2.37	2.36	2.35	2.36
PS 100/100 guarantee policy	2.72	2.70	2.69	2.69	2.67
PPS 75/75 guarantee policy	1.71	1.70	1.69	1.69	1.67
PPS 75/100 guarantee policy	2.04	2.02	2.01	2.00	2.01
PPS 100/100 guarantee policy	2.48	2.46	2.45	2.46	2.45

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.71	9.93	6.17	7.27	13.08

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
DIVIDEND FUND S-189LL

December 31, 2024

Independent Auditor's Report

To the Contractholders of Dividend Fund S-189LL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Dividend Fund S-189LL

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 5,217	\$ 6,388
Investment income due and accrued	833	890
Due from The Canada Life Assurance Company (note 7)	—	113
Due from brokers	77	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	384,165	325,945
Investment fund units	—	—
Total investments	384,165	325,945
Total assets	\$ 390,292	\$ 333,336
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	48	—
Due to brokers	2,593	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	2,641	—
Net assets attributable to contractholders	\$ 387,651	\$ 333,336

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 54,333	\$ 24,895
Miscellaneous income (loss)	105	36
Total income (loss)	54,438	24,931
Expenses		
Management fees (note 7)	6,229	5,384
Transaction costs	62	188
Withholding taxes	52	49
Other	697	600
Total expenses	7,040	6,221
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 47,398	\$ 18,710

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 333,336	\$ 310,166
Contractholder deposits	49,090	52,670
Contractholder withdrawals	(42,173)	(48,210)
Increase (decrease) in net assets from operations attributable to contractholders	47,398	18,710
Change in net assets attributable to contractholders	54,315	23,170
Net assets attributable to contractholders - end of year	\$ 387,651	\$ 333,336

Dividend Fund S-189LL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 47,398	\$ 18,710
Adjustments		
Realized (gains) losses	(6,631)	(7,754)
Unrealized (gains) losses	(34,351)	(4,594)
Gross proceeds of disposition of investments	56,649	150,758
Gross payments for the purchase of investments	(73,887)	(166,629)
Change in investment income due and accrued	57	(96)
Change in due from/to The Canada Life Assurance Company	161	(42)
Change in due from/to brokers	2,516	—
Change in due from/to outside parties	—	—
	(8,088)	(9,647)
Financing Activities		
Contractholder deposits	49,090	52,670
Contractholder withdrawals	(42,173)	(48,210)
	6,917	4,460
Net increase (decrease) in cash, short-term deposits and overdrafts	(1,171)	(5,187)
Cash, short-term deposits and overdrafts, beginning of year	6,388	11,575
Cash, short-term deposits and overdrafts, end of year	\$ 5,217	\$ 6,388
Supplementary cash flow information		
Dividend income received	\$ 13,187	\$ 12,116

Dividend Fund S-189LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	143,789	8,307	6,354
TELUS Corp.	493,976	12,716	9,628
TELUS International Inc.	105,932	1,788	599
Consumer Discretionary			
BRP Inc.	17,904	1,481	1,311
Dollarama Inc.	11,297	1,036	1,585
Magna International Inc.	62,900	4,770	3,779
Restaurant Brands International Inc.	63,802	5,199	5,978
Consumer Staples			
Alimentation Couche-Tard Inc.	53,815	2,928	4,290
Loblaw Companies Ltd.	46,558	5,076	8,807
Energy			
AltaGas Ltd.	70,962	2,013	2,376
ARC Resources Ltd.	163,612	3,328	4,265
Canadian Natural Resources Ltd.	334,453	10,660	14,843
Cenovus Energy Inc.	131,157	3,161	2,858
Enbridge Inc.	253,661	12,485	15,476
Pembina Pipeline Corp.	116,120	4,930	6,167
Suncor Energy Inc.	177,044	6,981	9,084
TC Energy Corp.	162,082	8,575	10,858
Tourmaline Oil Corp.	54,961	2,889	3,656
Exchange Traded Funds			
iShares S&P/TSX 60 Index Fund ETF	54,419	2,029	2,039
Financials			
Bank of Montreal	142,962	16,983	19,950
Brookfield Asset Management Inc. Class A	69,599	2,997	5,426
Brookfield Corp.	45,610	2,073	3,768
iA Financial Corp. Inc.	53,109	3,888	7,080
Intact Financial Corp.	40,672	7,329	10,645

Dividend Fund S-189LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials (continued)			
Manulife Financial Corp.	276,571	6,623	12,213
Royal Bank of Canada	174,046	20,099	30,165
Sun Life Financial Inc.	186,731	11,719	15,937
The Bank of Nova Scotia	151,421	10,668	11,688
The Toronto-Dominion Bank	280,754	21,762	21,486
Thomson Reuters Corp.	11,766	1,705	2,716
Industrials			
CAE Inc.	58,071	1,629	2,120
Canadian National Railway Co.	71,625	9,900	10,455
Canadian Pacific Kansas City Ltd.	113,272	10,637	11,789
Finning International Inc.	98,443	3,820	3,750
Toromont Industries Ltd.	17,937	2,034	2,038
Waste Connections Inc.	16,337	3,988	4,029
WSP Global Inc.	5,299	1,089	1,340
Information Technology			
CGI Group Inc. Class A sub. voting	13,624	1,867	2,143
Open Text Corp.	67,592	3,564	2,750
Materials			
Agnico Eagle Mines Ltd.	58,928	4,050	6,627
Barrick Gold Corp.	84,483	1,887	1,883
CCL Industries Inc. Class B non-voting	67,711	4,331	5,007
Franco-Nevada Corp.	12,613	2,186	2,131
Nutrien Ltd.	107,630	8,300	6,923
Teck Resources Ltd. Class B	31,930	1,900	1,861
Wheaton Precious Metals Corp.	26,981	2,355	2,183
Real Estate			
Canadian Apartment Properties REIT	68,047	3,288	2,901
Choice Properties REIT	89,631	1,203	1,197
Granite REIT	40,293	3,122	2,811

Dividend Fund S-189LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Utilities			
Emera Inc.	125,720	6,951	6,755
Fortis Inc.	86,012	4,790	5,137
Northland Power Inc.	191,601	5,814	3,430
Total Canadian Common Stock		294,903	344,287
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	22,047	4,323	6,001
Consumer Discretionary			
The TJX Companies Inc.	7,642	659	1,327
Consumer Staples			
Constellation Brands Inc. Class A	4,911	1,559	1,561
Financials			
Citigroup Inc.	11,220	958	1,136
Health Care			
Johnson & Johnson Inc.	4,925	1,067	1,024
UnitedHealth Group Inc.	4,486	3,137	3,263
Information Technology			
Microsoft Corp.	12,056	3,670	7,306
Oracle Corp.	16,139	2,192	3,867
Visa Inc. Class A	11,076	3,696	5,033
Total United States Common Stock		21,261	30,518
Global Common Stock			
Bermuda			
Brookfield Infrastructure Partners LP Partnership Units	165,879	7,242	7,577

Dividend Fund S-189LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Ireland			
Accenture PLC Class A	3,525	1,410	1,783
Total Global Common Stock		8,652	9,360
Total Stocks		324,816	384,165
Transaction Costs (note 2)		(178)	
Total Investments		324,638	384,165

Dividend Fund S-189LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Dividend Fund S-189LL (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Dividend Fund S-189LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 32,301	\$ 266	\$ 32,567	\$ 326
Total	\$ 32,301	\$ 266	\$ 32,567	\$ 326
As Percent of Net Assets Attributable to Contractholders				8.4%
				0.1%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 23,210	\$ 885	\$ 24,095	\$ 241
Total	\$ 23,210	\$ 885	\$ 24,095	\$ 241
As Percent of Net Assets Attributable to Contractholders				7.2%
				0.1%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$3,842 (\$3,259 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Dividend Fund S-189LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 384,165	\$ —	\$ —	\$ 384,165
Total assets measured at fair value	\$ 384,165	\$ —	\$ —	\$ 384,165

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 325,945	\$ —	\$ —	\$ 325,945
Total assets measured at fair value	\$ 325,945	\$ —	\$ —	\$ 325,945

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Dividend Fund S-189LL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	202,474	236,332	253,702	275,623	297,034	7,078	7,303	7,473	8,419	7,282
Generations I	89,634	52,459	62,068	93,731	108,907	2,095	1,081	1,216	1,898	1,766
Generations II	74,978	76,898	79,813	120,317	122,724	1,458	1,323	1,310	2,050	1,680
Generations Core	38,304	41,036	45,966	56,699	62,317	805	759	808	1,029	904
75/75 guarantee policy	1,433,510	1,414,445	1,251,362	858,721	562,739	35,953	31,236	26,241	18,600	9,746
75/100 guarantee policy	4,126,295	4,170,566	3,875,820	2,744,633	1,733,307	101,587	90,508	79,959	58,552	29,598
100/100 guarantee policy	96,960	142,222	159,572	85,725	65,650	2,274	2,951	3,159	1,761	1,084
PS1 75/75 guarantee policy	1,558,476	1,384,556	1,264,735	786,244	395,580	36,344	28,298	24,433	15,617	6,253
PS1 75/100 guarantee policy	4,356,270	3,657,151	3,680,334	2,021,206	1,291,394	98,834	72,880	69,478	39,319	20,038
PS1 100/100 guarantee policy	90,958	84,915	90,649	59,064	44,412	1,978	1,628	1,652	1,113	669
PS2 75/75 guarantee policy	245,006	308,172	227,919	285,888	214,245	7,502	8,092	5,536	6,987	4,078
PS2 75/100 guarantee policy	301,396	455,144	484,442	267,250	147,831	9,235	11,958	11,774	6,536	2,816
PS2 100/100 guarantee policy	8,618	11,795	12,101	12,406	12,724	264	309	294	303	242
PS 75/75 guarantee policy	214,090	209,867	168,508	92,346	37,658	3,465	2,958	2,230	1,249	403
PS 75/100 guarantee policy	213,138	256,684	256,516	140,468	89,534	3,425	3,596	3,378	1,892	955
PS 100/100 guarantee policy	9,096	9,143	—	—	—	143	126	—	—	—
PPS 75/75 guarantee policy	497,501	390,585	284,546	183,731	70,053	8,296	5,645	3,844	2,524	757
PPS 75/100 guarantee policy	314,342	353,901	428,241	181,361	127,024	5,167	5,053	5,729	2,472	1,366

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	34.96	30.90	29.46	30.54	24.52	4.06	1.44
Generations I	23.37	20.60	19.59	20.25	16.21	2.77	1.01
Generations II	19.45	17.21	16.42	17.04	13.69	2.24	0.79
Generations Core	21.02	18.51	17.57	18.15	14.51	2.51	0.94
75/75 guarantee policy	25.08	22.08	20.97	21.66	17.32	3.00	1.11
75/100 guarantee policy	24.62	21.70	20.63	21.33	17.08	2.92	1.07
100/100 guarantee policy	23.45	20.75	19.79	20.54	16.50	2.70	0.96
PS1 75/75 guarantee policy	23.32	20.44	19.32	19.86	15.81	2.88	1.12
PS1 75/100 guarantee policy	22.69	19.93	18.88	19.45	15.52	2.76	1.05
PS1 100/100 guarantee policy	21.75	19.17	18.22	18.84	15.07	2.58	0.95
PS2 75/75 guarantee policy	30.62	26.26	24.29	24.44	19.03	4.36	1.97
PS2 75/100 guarantee policy	30.64	26.27	24.30	24.45	19.05	4.37	1.97
PS2 100/100 guarantee policy	30.59	26.23	24.26	24.41	19.01	4.36	1.97
PS 75/75 guarantee policy	16.19	14.09	13.24	13.52	10.69	2.10	0.85
PS 75/100 guarantee policy	16.07	14.01	13.17	13.47	10.66	2.06	0.84
PS 100/100 guarantee policy	15.69	13.73	—	—	—	1.96	0.77
PPS 75/75 guarantee policy	16.68	14.45	13.51	13.74	10.81	2.23	0.94
PPS 75/100 guarantee policy	16.44	14.28	13.38	13.63	10.75	2.16	0.90

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Dividend Fund S-189LL

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Dividend Fund S-189LL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.04	3.01	3.01	3.01	3.00
Generations I	2.76	2.73	2.74	2.74	2.72
Generations II	3.13	3.10	3.11	3.10	3.09
Generations Core	2.65	2.62	2.62	2.62	2.61
75/75 guarantee policy	2.65	2.62	2.61	2.62	2.60
75/100 guarantee policy	2.76	2.73	2.72	2.73	2.71
100/100 guarantee policy	3.13	3.10	3.10	3.09	3.08
PS1 75/75 guarantee policy	2.18	2.16	2.15	2.15	2.14
PS1 75/100 guarantee policy	2.40	2.38	2.37	2.38	2.36
PS1 100/100 guarantee policy	2.74	2.72	2.70	2.71	2.69
PS 75/75 guarantee policy	1.53	1.51	1.50	1.51	1.50
PS 75/100 guarantee policy	1.64	1.62	1.61	1.62	1.61
PS 100/100 guarantee policy	2.01	1.99	—	—	—
PPS 75/75 guarantee policy	1.06	1.05	1.05	1.05	1.05
PPS 75/100 guarantee policy	1.29	1.27	1.26	1.27	1.26

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	16.19	47.27	43.24	26.04	24.32

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
HARBOUR GROWTH & INCOME FUND (CI) SF190

December 31, 2024

Independent Auditor's Report

To the Contractholders of Harbour Growth & Income Fund (CI) SF190 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Harbour Growth & Income Fund (CI) SF190

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 2	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	23
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	96,090	82,831
Total investments	96,090	82,831
Total assets	\$ 96,092	\$ 82,854
Liabilities		
Overdrafts	\$ —	\$ 139
Due to The Canada Life Assurance Company (note 8)	51	13
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	51	152
Net assets attributable to contractholders	\$ 96,041	\$ 82,702

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 17,561	\$ 13,586
Miscellaneous income (loss)	—	—
Total income (loss)	17,561	13,586
Expenses		
Management fees (note 8)	2,405	2,188
Other	260	234
Total expenses	2,665	2,422
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 14,896	\$ 11,164

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 82,702	\$ 81,813
Contractholder deposits	10,370	4,341
Contractholder withdrawals	(11,927)	(14,616)
Increase (decrease) in net assets from operations attributable to contractholders	14,896	11,164
Change in net assets attributable to contractholders	13,339	889
Net assets attributable to contractholders - end of year	\$ 96,041	\$ 82,702

Harbour Growth & Income Fund (CI) SF190

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 14,896	\$ 11,164
Adjustments		
Realized (gains) losses	(1,345)	603
Unrealized (gains) losses	(14,532)	(12,535)
Gross proceeds of disposition of investments	11,197	15,497
Gross payments for the purchase of investments	(6,895)	(2,891)
Distribution income of underlying mutual fund	(1,684)	(1,654)
Change in due from/to The Canada Life Assurance Company	38	—
Change in due from/to brokers	23	487
	<u>1,698</u>	<u>10,671</u>
Financing Activities		
Contractholder deposits	10,370	4,341
Contractholder withdrawals	(11,927)	(14,616)
	<u>(1,557)</u>	<u>(10,275)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	141	396
Cash, short-term deposits and overdrafts, beginning of year	(139)	(535)
Cash, short-term deposits and overdrafts, end of year	\$ 2	\$ (139)

Harbour Growth & Income Fund (CI) SF190

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Growth Portfolio *	7,661,879	79,822	96,090
Total Investments		79,822	96,090

Top Holdings

Security Description	% of Total
Canada Life Sustainable Global Equity Fund Series R *	30.96%
Canada Life ESG U.S. Equity Fund Series R *	22.34%
Canada Life Sustainable Global Bond Fund Series R *	19.22%
Canada Life International Equity Fund Series R *	13.20%
Canada Life U.S. Carbon Transition Equity Fund Series R *	6.67%
Canada Life Sustainable Emerging Markets Equity *	5.40%
Cash and short-term deposits	2.21%

*The issuer of this security is a related company to the issuer of the Fund.

Harbour Growth & Income Fund (CI) SF190

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	1,164,356	1,349,543	1,612,858	1,834,122	2,350,851	37,710	37,064	38,764	51,075	60,388
Generations I	457,720	560,144	765,769	954,461	1,168,057	8,207	8,498	10,144	14,617	16,456
Generations II	65,097	69,918	95,816	117,445	144,042	1,030	939	1,128	1,603	1,812
Generations Core	116,425	140,774	168,836	186,099	208,317	1,951	1,990	2,078	2,641	2,712
75/75 guarantee policy	402,951	291,257	272,402	214,407	216,689	7,345	4,480	3,648	3,311	3,070
75/100 guarantee policy	1,033,920	1,034,445	1,147,219	1,139,864	1,427,412	18,424	15,596	15,103	17,349	19,986
100/100 guarantee policy	134,968	142,289	145,618	157,737	191,192	2,334	2,089	1,873	2,353	2,629
PS1 75/75 guarantee policy	225,721	178,446	134,564	87,309	96,220	4,328	2,881	1,889	1,410	1,418
PS1 75/100 guarantee policy	562,826	407,015	369,363	366,305	536,873	10,607	6,468	5,107	5,835	7,817
PS1 100/100 guarantee policy	50,538	37,681	25,269	25,869	16,544	923	582	340	402	236
PS2 75/75 guarantee policy	26,933	15,515	13,647	10,703	16,512	699	331	247	217	299
PS2 75/100 guarantee policy	38,254	42,541	44,774	46,679	49,990	993	907	809	947	905
PS2 100/100 guarantee policy	923	1,118	2,660	4,413	6,392	24	24	48	89	116
PS 75/75 guarantee policy	8,965	318	145	—	—	133	4	2	—	—
PS 75/100 guarantee policy	14,494	10,729	16,371	5,934	5,968	212	132	173	72	66
PPS 75/75 guarantee policy	4,028	23,896	9,389	—	—	62	304	103	—	—
PPS 75/100 guarantee policy	69,938	32,694	30,779	—	—	1,059	413	335	—	—
PPS 100/100 guarantee policy	—	—	2,072	—	—	—	—	22	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	32.39	27.46	24.03	27.85	25.69	4.93	3.43
Generations I	17.93	15.17	13.25	15.31	14.09	2.76	1.92
Generations II	15.82	13.43	11.77	13.65	12.58	2.39	1.66
Generations Core	16.75	14.14	12.31	14.19	13.02	2.61	1.83
75/75 guarantee policy	18.23	15.38	13.39	15.44	14.17	2.85	1.99
75/100 guarantee policy	17.82	15.08	13.17	15.22	14.00	2.74	1.91
100/100 guarantee policy	17.29	14.68	12.86	14.92	13.75	2.61	1.82
PS1 75/75 guarantee policy	19.17	16.15	14.04	16.15	14.74	3.02	2.11
PS1 75/100 guarantee policy	18.85	15.89	13.83	15.93	14.56	2.96	2.06
PS1 100/100 guarantee policy	18.26	15.44	13.47	15.56	14.26	2.82	1.97
PS2 75/75 guarantee policy	25.97	21.32	18.07	20.28	18.10	4.65	3.25
PS2 75/100 guarantee policy	25.97	21.32	18.07	20.28	18.10	4.65	3.25
PS2 100/100 guarantee policy	25.95	21.31	18.06	20.27	18.08	4.64	3.25
PS 75/75 guarantee policy	14.89	12.43	10.71	—	—	2.46	1.72
PS 75/100 guarantee policy	14.65	12.26	10.59	12.10	11.01	2.39	1.67
PPS 75/75 guarantee policy	15.28	12.73	10.94	—	—	2.55	1.79
PPS 75/100 guarantee policy	15.15	12.63	10.87	—	—	2.52	1.76
PPS 100/100 guarantee policy	—	—	10.75	—	—	—	—

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Harbour Growth & Income Fund (CI) SF190 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Harbour Growth & Income Fund (CI) SF190

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Harbour Growth & Income Fund (CI) SF190

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.23	3.20	3.21	3.33	3.34
Generations I	3.01	2.98	2.99	3.05	3.06
Generations II	3.34	3.31	3.33	3.24	3.23
Generations Core	2.73	2.71	2.71	2.78	2.78
75/75 guarantee policy	2.73	2.71	2.70	2.77	2.79
75/100 guarantee policy	3.01	2.98	2.99	3.06	3.06
100/100 guarantee policy	3.34	3.31	3.32	3.24	3.23
PS1 75/75 guarantee policy	2.55	2.52	2.52	2.25	2.21
PS1 75/100 guarantee policy	2.66	2.63	2.64	2.41	2.38
PS1 100/100 guarantee policy	2.94	2.91	2.91	2.62	2.59
PS 75/75 guarantee policy	1.62	1.64	1.60	—	—
PS 75/100 guarantee policy	1.90	1.88	1.86	1.94	1.95
PPS 75/75 guarantee policy	1.43	1.42	1.40	—	—
PPS 75/100 guarantee policy	1.54	1.53	1.53	—	—
PPS 100/100 guarantee policy	—	—	1.81	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.60	3.51	4.16	93.84	0.86

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN ASSET ALLOCATION FUND (FIDELITY)
SF191

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Asset Allocation Fund (Fidelity) SF191 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Asset Allocation Fund (Fidelity) SF191

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	4
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	67,795	70,981
Total investments	67,795	70,981
Total assets	\$ 67,795	\$ 70,985
Liabilities		
Overdrafts	\$ 4	\$ 87
Due to The Canada Life Assurance Company (note 8)	35	18
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	39	105
Net assets attributable to contractholders	\$ 67,756	\$ 70,880

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 10,995	\$ 7,848
Miscellaneous income (loss)	—	—
Total income (loss)	10,995	7,848
Expenses		
Management fees (note 8)	1,955	2,075
Other	220	233
Total expenses	2,175	2,308
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 8,820	\$ 5,540

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 70,880	\$ 77,320
Contractholder deposits	527	646
Contractholder withdrawals	(12,471)	(12,626)
Increase (decrease) in net assets from operations attributable to contractholders	8,820	5,540
Change in net assets attributable to contractholders	(3,124)	(6,440)
Net assets attributable to contractholders - end of year	\$ 67,756	\$ 70,880

Canadian Asset Allocation Fund (Fidelity) SF191

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 8,820	\$ 5,540
Adjustments		
Realized (gains) losses	(1,912)	(1,158)
Unrealized (gains) losses	(4,876)	(1,994)
Gross proceeds of disposition of investments	14,276	14,300
Gross payments for the purchase of investments	(95)	(81)
Distribution income of underlying mutual fund	(4,207)	(4,696)
Change in due from/to The Canada Life Assurance Company	17	(2)
Change in due from/to brokers	4	77
	<u>12,027</u>	<u>11,986</u>
Financing Activities		
Contractholder deposits	527	646
Contractholder withdrawals	(12,471)	(12,626)
	<u>(11,944)</u>	<u>(11,980)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	83	6
Cash, short-term deposits and overdrafts, beginning of year	(87)	(93)
Cash, short-term deposits and overdrafts, end of year	\$ (4)	\$ (87)

Canadian Asset Allocation Fund (Fidelity) SF191

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity NorthStar Balanced Fund Series O	4,533,026	57,700	67,795
Total Investments		57,700	67,795

Top 25 Holdings

Security Description	% of Total
United States Treasury 4.375% 05-15-2034	10.16%
United States Treasury 3.75% 05-31-2030	2.93%
United States Treasury 3.50% 02-15-2033	2.86%
United States Treasury 4.125% 08-15-2053	2.54%
United States Treasury 3.625% 02-15-2053	2.49%
United States Treasury 4.125% 11-15-2032	2.43%
NVIDIA Corp.	1.84%
United States Treasury 4.00% 01-31-2031	1.78%
Microsoft Corp.	1.47%
United States Treasury 3.625% 09-30-2031	1.29%
United States Treasury 4.25% 08-15-2054	1.26%
Meta Platforms Inc.	1.09%
Amazon.com Inc.	0.95%
Alphabet Inc. Class C	0.72%
Imperial Brands PLC	0.64%
Metro Inc.	0.55%
British American Tobacco PLC	0.53%
Apple Inc.	0.52%
Diageo PLC	0.49%
Roku Inc. Class A	0.49%
Broadcom Inc.	0.46%
Government of Japan 0.10% 12-20-2025	0.46%
Wells Fargo & Co.	0.44%
UnitedHealth Group Inc.	0.43%
Pfizer Inc.	0.41%

Canadian Asset Allocation Fund (Fidelity) SF191

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	1,162,123	1,381,080	1,660,547	1,882,997	2,173,810	37,809	39,599	44,193	53,856	60,197
Generations I	381,095	480,030	543,026	601,714	690,990	7,632	8,470	8,890	10,583	11,763
Generations II	92,698	102,165	129,242	161,600	188,914	1,539	1,499	1,765	2,379	2,700
Generations Core	154,348	167,483	193,478	212,555	227,292	2,737	2,610	2,792	3,288	3,395
75/75 guarantee policy	124,321	139,501	164,618	174,786	195,604	2,284	2,253	2,461	2,801	3,028
75/100 guarantee policy	447,666	528,441	603,397	717,422	840,143	8,100	8,424	8,925	11,402	12,923
100/100 guarantee policy	109,178	130,896	152,904	180,028	215,903	1,888	2,000	2,175	2,759	3,213
PS1 75/75 guarantee policy	25,747	25,337	32,191	34,964	35,685	490	422	494	573	562
PS1 75/100 guarantee policy	219,498	271,263	306,576	315,728	334,069	4,096	4,438	4,632	5,100	5,198
PS1 100/100 guarantee policy	43,832	49,855	42,727	44,683	40,163	794	793	629	705	612
PS2 75/75 guarantee policy	2,644	2,712	2,782	2,978	3,353	69	60	56	62	65
PS2 75/100 guarantee policy	10,450	11,725	12,450	13,338	14,142	273	261	250	278	277
PS2 100/100 guarantee policy	—	134	137	140	143	—	3	3	3	3
PS 75/100 guarantee policy	3,119	3,821	4,827	5,986	7,894	45	48	55	73	92

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	32.53	28.67	26.61	28.60	27.69	3.86	2.06
Generations I	20.03	17.64	16.37	17.59	17.02	2.39	1.27
Generations II	16.60	14.67	13.66	14.72	14.29	1.93	1.01
Generations Core	17.73	15.59	14.43	15.47	14.94	2.14	1.16
75/75 guarantee policy	18.37	16.15	14.95	16.03	15.48	2.22	1.20
75/100 guarantee policy	18.09	15.94	14.79	15.89	15.38	2.15	1.15
100/100 guarantee policy	17.29	15.28	14.22	15.33	14.88	2.01	1.06
PS1 75/75 guarantee policy	19.02	16.65	15.35	16.38	15.75	2.37	1.30
PS1 75/100 guarantee policy	18.66	16.36	15.11	16.15	15.56	2.30	1.25
PS1 100/100 guarantee policy	18.11	15.91	14.73	15.78	15.23	2.20	1.18
PS2 75/75 guarantee policy	26.11	22.28	20.03	20.86	19.56	3.83	2.25
PS2 75/100 guarantee policy	26.12	22.29	20.05	20.87	19.57	3.83	2.24
PS2 100/100 guarantee policy	—	22.27	20.03	20.85	19.55	—	2.24
PS 75/100 guarantee policy	14.35	12.50	11.47	12.19	11.67	1.85	1.03

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Asset Allocation Fund (Fidelity) SF191 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Asset Allocation Fund (Fidelity) SF191

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Asset Allocation Fund (Fidelity) SF191

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.21	3.18	3.18	3.19	3.21
Generations I	3.17	3.15	3.15	3.15	3.17
Generations II	3.49	3.46	3.46	3.47	3.48
Generations Core	2.95	2.92	2.93	2.93	2.95
75/75 guarantee policy	2.95	2.93	2.93	2.94	2.95
75/100 guarantee policy	3.18	3.15	3.16	3.16	3.18
100/100 guarantee policy	3.49	3.46	3.46	3.47	3.48
PS1 75/75 guarantee policy	2.52	2.50	2.50	2.50	2.52
PS1 75/100 guarantee policy	2.69	2.66	2.66	2.67	2.69
PS1 100/100 guarantee policy	2.91	2.88	2.89	2.89	2.91
PS 75/100 guarantee policy	2.06	2.04	2.05	2.05	2.07

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.13	0.10	0.38	1.72	0.40

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (GREYSTONE) SF208

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (Greystone) SF208 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (Greystone) SF208

(in Canadian \$ thousands)

Fund Manager: TD Asset Management Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 18	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	319,316	291,906
Total investments	319,316	291,906
Total assets	\$ 319,334	\$ 291,906
Liabilities		
Overdrafts	\$ —	\$ 54
Due to The Canada Life Assurance Company (note 8)	32	260
Due to brokers	—	1
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	32	315
Net assets attributable to contractholders	\$ 319,302	\$ 291,591

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 41,242	\$ 30,404
Miscellaneous income (loss)	—	—
Total income (loss)	41,242	30,404
Expenses		
Management fees (note 8)	7,375	6,832
Other	719	654
Total expenses	8,094	7,486
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 33,148	\$ 22,918

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 291,591	\$ 273,522
Contractholder deposits	42,404	35,192
Contractholder withdrawals	(47,841)	(40,041)
Increase (decrease) in net assets from operations attributable to contractholders	33,148	22,918
Change in net assets attributable to contractholders	27,711	18,069
Net assets attributable to contractholders - end of year	\$ 319,302	\$ 291,591

Balanced Fund (Greystone) SF208

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 33,148	\$ 22,918
Adjustments		
Realized (gains) losses	(1,285)	1,432
Unrealized (gains) losses	(16,408)	15,725
Gross proceeds of disposition of investments	36,424	32,428
Gross payments for the purchase of investments	(22,592)	(16,746)
Distribution income of underlying mutual fund	(23,549)	(47,561)
Change in due from/to The Canada Life Assurance Company	(228)	327
Change in due from/to brokers	(1)	23
	<u>5,509</u>	<u>8,546</u>
Financing Activities		
Contractholder deposits	42,404	35,192
Contractholder withdrawals	(47,841)	(40,041)
	<u>(5,437)</u>	<u>(4,849)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	72	3,697
Cash, short-term deposits and overdrafts, beginning of year	(54)	(3,751)
Cash, short-term deposits and overdrafts, end of year	\$ 18	\$ (54)

Balanced Fund (Greystone) SF208

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
TD Greystone Balanced Fund Pooled	7,691,551	314,744	319,316
Total Investments		314,744	319,316

Top 25 Holdings

Security Description	% of Total
TD Greystone Canadian Equity Fund	20.98%
TD Greystone International Equity Fund	18.52%
Government of Canada 2.75% 06-01-2033	4.67%
Canada Housing Trust No. 1 1.75% 06-15-2030	3.25%
TD Emerald Canadian Short Term Investment Fund Class B	2.69%
Government of Canada 1.50% 06-01-2031	2.61%
Province of Ontario 3.65% 06-02-2033	2.47%
NVIDIA Corp.	1.80%
Apple Inc.	1.68%
Microsoft Corp.	1.68%
Government of Canada 1.25% 06-01-2030	1.57%
Province of Quebec 6.25% 06-01-2032	1.31%
Broadcom Inc.	1.14%
Government of Canada 3.00% 06-01-2034	1.10%
Province of Ontario 3.75% 06-02-2032	1.10%
Government of Canada 2.00% 06-01-2032	1.02%
Amazon.com Inc.	1.01%
Province of Ontario 2.25% 12-02-2031	1.01%
Province of Ontario 2.05% 06-02-2030	0.91%
Province of Ontario 4.60% 12-02-2055	0.89%
Alphabet Inc. Class A	0.84%
Meta Platforms Inc.	0.79%
JPMorgan Chase & Co.	0.74%
Royal Bank of Canada 4.632% 05-01-2028	0.57%
Bank of Montreal 4.309% 06-01-2027	0.56%

Balanced Fund (Greystone) SF208

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Prestige/Prestige Plus	—	—	1,385	7,537	7,298	—	—	30	183	162
75/75 guarantee policy	1,184,794	1,307,231	1,416,479	1,438,846	1,122,815	25,676	25,417	25,412	29,084	20,592
75/100 guarantee policy	8,425,839	8,958,851	9,268,554	8,488,541	5,926,628	178,641	170,923	163,641	169,359	107,601
100/100 guarantee policy	139,854	199,538	192,882	211,450	157,150	2,896	3,724	3,336	4,139	2,804
PS1 75/75 guarantee policy	792,259	664,525	680,033	601,202	417,697	17,477	13,106	12,333	12,242	7,690
PS1 75/100 guarantee policy	2,649,678	2,348,951	2,234,204	1,966,720	1,109,646	57,346	45,527	39,883	39,485	20,175
PS1 100/100 guarantee policy	239,567	242,113	228,520	221,472	143,890	5,036	4,568	3,980	4,348	2,564
PS2 75/75 guarantee policy	20,977	40,948	43,283	59,960	39,237	619	1,054	1,001	1,522	880
PS2 75/100 guarantee policy	319,617	342,165	327,070	340,995	206,121	9,421	8,809	7,565	8,653	4,620
PS2 100/100 guarantee policy	22,140	21,901	20,983	14,973	—	651	563	485	379	—
PS 75/75 guarantee policy	71,314	59,664	90,287	96,677	36,073	1,054	783	1,081	1,290	432
PS 75/100 guarantee policy	1,173,210	1,060,719	969,113	921,304	442,809	17,014	13,691	11,449	12,166	5,263
PS 100/100 guarantee policy	—	16,210	16,374	16,540	8,850	—	207	192	217	105
PPS 75/75 guarantee policy	46,954	51,648	50,384	51,611	43,719	710	691	613	697	528
PPS 75/100 guarantee policy	176,248	155,872	158,408	140,411	54,578	2,637	2,065	1,912	1,885	656
PPS 100/100 guarantee policy	8,367	35,360	50,926	33,958	5,894	124	463	609	453	71

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Prestige/Prestige Plus	—	—	21.46	24.35	22.25	—	—
75/75 guarantee policy	21.67	19.44	17.94	20.21	18.34	2.23	1.50
75/100 guarantee policy	21.20	19.08	17.66	19.95	18.16	2.12	1.42
100/100 guarantee policy	20.71	18.66	17.30	19.58	17.84	2.05	1.36
PS1 75/75 guarantee policy	22.06	19.72	18.14	20.36	18.41	2.34	1.58
PS1 75/100 guarantee policy	21.64	19.38	17.85	20.08	18.18	2.26	1.53
PS1 100/100 guarantee policy	21.02	18.87	17.42	19.63	17.82	2.15	1.45
PS2 75/75 guarantee policy	29.48	25.75	23.13	25.38	22.42	3.73	2.62
PS2 75/100 guarantee policy	29.48	25.74	23.13	25.37	22.41	3.74	2.61
PS2 100/100 guarantee policy	29.43	25.70	23.09	25.33	—	3.73	2.61
PS 75/75 guarantee policy	14.78	13.12	11.97	13.34	11.97	1.66	1.15
PS 75/100 guarantee policy	14.50	12.91	11.81	13.21	11.89	1.59	1.10
PS 100/100 guarantee policy	—	12.80	11.73	13.14	11.84	—	1.07
PPS 75/75 guarantee policy	15.12	13.37	12.16	13.51	12.08	1.75	1.21
PPS 75/100 guarantee policy	14.96	13.25	12.07	13.43	12.03	1.71	1.18
PPS 100/100 guarantee policy	14.75	13.09	11.95	13.33	11.96	1.66	1.14

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Fund (Greystone) SF208 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Balanced Fund (Greystone) SF208

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Balanced Fund (Greystone) SF208

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Prestige/Prestige Plus	—	—	3.38	3.37	3.38
75/75 guarantee policy	2.70	2.66	2.67	2.67	2.67
75/100 guarantee policy	2.99	2.95	2.96	2.96	2.97
100/100 guarantee policy	3.15	3.11	3.12	3.11	3.12
PS1 75/75 guarantee policy	2.35	2.31	2.32	2.32	2.31
PS1 75/100 guarantee policy	2.51	2.48	2.48	2.48	2.47
PS1 100/100 guarantee policy	2.73	2.70	2.70	2.70	2.69
PS 75/75 guarantee policy	1.59	1.57	1.57	1.57	1.57
PS 75/100 guarantee policy	1.89	1.86	1.86	1.87	1.88
PS 100/100 guarantee policy	—	2.02	2.02	2.03	2.03
PPS 75/75 guarantee policy	1.24	1.22	1.22	1.23	1.21
PPS 75/100 guarantee policy	1.41	1.39	1.39	1.39	1.37
PPS 100/100 guarantee policy	1.63	1.60	1.60	1.60	1.61

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.35	2.31	2.32	2.32	2.33
PS1 75/100 guarantee policy	2.51	2.48	2.48	2.48	2.49
PS1 100/100 guarantee policy	2.73	2.70	2.70	2.70	2.71
PPS 75/75 guarantee policy	1.24	1.22	1.22	1.23	1.23
PPS 75/100 guarantee policy	1.41	1.39	1.39	1.39	1.39
PPS 100/100 guarantee policy	1.63	1.60	1.60	1.60	1.63

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	11.86	11.44	7.33	5.13	3.95

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
AMERICAN GROWTH FUND (AGF) SF247

December 31, 2024

Independent Auditor's Report

To the Contractholders of American Growth Fund (AGF) SF247 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

American Growth Fund (AGF) SF247

(in Canadian \$ thousands)

Fund Manager: AGF Investments Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 623	\$ 583
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	347	405
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	808,203	555,135
Total investments	808,203	555,135
Total assets	\$ 809,173	\$ 556,123
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	333
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	333
Net assets attributable to contractholders	\$ 809,173	\$ 555,790

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 248,641	\$ 85,760
Miscellaneous income (loss)	—	—
Total income (loss)	248,641	85,760
Expenses		
Management fees (note 8)	15,428	10,973
Other	1,629	1,151
Total expenses	17,057	12,124
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 231,584	\$ 73,636

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 555,790	\$ 482,944
Contractholder deposits	143,264	65,529
Contractholder withdrawals	(121,465)	(66,319)
Increase (decrease) in net assets from operations attributable to contractholders	231,584	73,636
Change in net assets attributable to contractholders	253,383	72,846
Net assets attributable to contractholders - end of year	\$ 809,173	\$ 555,790

American Growth Fund (AGF) SF247

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 231,584	\$ 73,636
Adjustments		
Realized (gains) losses	(32,768)	(16,095)
Unrealized (gains) losses	(207,370)	(56,291)
Gross proceeds of disposition of investments	60,921	39,493
Gross payments for the purchase of investments	(65,348)	(24,546)
Distribution income of underlying mutual fund	(8,503)	(13,374)
Change in due from/to The Canada Life Assurance Company	58	(296)
Change in due from/to brokers	(333)	288
	(21,759)	2,815
Financing Activities		
Contractholder deposits	143,264	65,529
Contractholder withdrawals	(121,465)	(66,319)
	21,799	(790)
Net increase (decrease) in cash, short-term deposits and overdrafts	40	2,025
Cash, short-term deposits and overdrafts, beginning of year	583	(1,442)
Cash, short-term deposits and overdrafts, end of year	\$ 623	\$ 583

American Growth Fund (AGF) SF247

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
AGF American Growth Class Series O	3,030,036	360,172	808,203
Total Investments		360,172	808,203

Top 25 Holdings

Security Description	% of Total
NVIDIA Corp.	8.79%
Amazon.com Inc.	7.32%
Cash and short-term deposits	6.11%
Eli Lilly and Co.	4.42%
Boston Scientific Corp.	4.40%
Intuitive Surgical Inc.	4.29%
Raymond James Financial Inc.	4.21%
ServiceNow Inc.	4.18%
Ameriprise Financial Inc.	3.78%
Meta Platforms Inc.	3.54%
HubSpot Inc.	3.51%
Howmet Aerospace Inc.	3.37%
Iron Mountain Inc.	3.31%
Axon Enterprise Inc.	3.11%
Primerica Inc.	3.02%
Intercontinental Exchange Inc.	2.81%
Broadcom Inc.	2.72%
Constellation Energy Corp.	2.69%
Quanta Services Inc.	2.52%
HEICO Corp.	2.34%
Hilton Worldwide Holdings Inc.	2.34%
Intuit Inc.	2.29%
T-Mobile US Inc.	2.19%
Expand Energy Corp.	2.08%
Synopsys Inc.	1.77%

American Growth Fund (AGF) SF247

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	1,037,880	1,196,104	1,469,832	1,513,645	1,669,873	30,535	25,379	27,394	31,538	29,118
Generations I	135,416	166,364	229,150	257,545	234,828	9,189	8,113	9,783	12,250	9,316
Generations II	68,705	83,124	125,018	129,579	137,624	3,698	3,228	4,266	4,945	4,396
Generations Core	81,438	95,559	111,919	118,968	131,893	4,815	4,050	4,141	4,891	4,511
75/75 guarantee policy	1,375,854	1,199,927	1,087,827	884,229	618,182	115,962	72,492	57,378	51,826	30,139
75/100 guarantee policy	2,136,520	2,088,371	2,071,510	1,779,320	1,402,692	174,785	122,788	106,619	102,034	67,087
100/100 guarantee policy	343,965	363,420	348,913	366,168	337,013	26,577	20,258	17,089	20,057	15,454
PS1 75/75 guarantee policy	1,259,530	831,329	653,435	470,051	216,942	88,858	41,869	28,617	22,783	8,711
PS1 75/100 guarantee policy	2,919,017	2,428,437	2,447,733	1,787,311	1,322,326	198,702	118,339	104,007	84,282	51,803
PS1 100/100 guarantee policy	305,902	188,197	185,163	216,871	198,104	19,816	8,761	7,545	9,845	7,500
PS2 75/75 guarantee policy	54,484	40,572	50,363	50,734	40,245	5,321	2,756	2,898	3,149	2,017
PS2 75/100 guarantee policy	93,968	68,081	68,074	56,985	32,693	9,175	4,623	3,917	3,536	1,638
PS2 100/100 guarantee policy	9,009	24,134	26,416	11,735	8,389	879	1,639	1,520	728	420
PS 75/75 guarantee policy	28,367	27,894	34,101	22,663	6,089	726	506	535	390	86
PS 75/100 guarantee policy	79,658	82,270	90,687	58,482	24,978	2,006	1,472	1,405	998	352
PS 100/100 guarantee policy	37,129	28,241	31,997	18,831	2,248	912	495	488	317	31
PPS 75/75 guarantee policy	84,588	24,747	27,772	20,971	9,414	2,228	460	444	367	135
PPS 75/100 guarantee policy	136,823	118,667	84,191	38,168	14,734	3,533	2,169	1,327	661	210
PPS 100/100 guarantee policy	38,163	28,701	18,666	—	380	961	514	289	—	5

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	29.42	21.22	18.64	20.84	17.44	8.20	2.58
Generations I	67.86	48.77	42.69	47.56	39.67	19.09	6.08
Generations II	53.83	38.83	34.12	38.16	31.95	15.00	4.71
Generations Core	59.12	42.38	37.00	41.11	34.20	16.74	5.38
75/75 guarantee policy	84.28	60.41	52.75	58.61	48.75	23.87	7.66
75/100 guarantee policy	81.81	58.80	51.47	57.34	47.83	23.01	7.33
100/100 guarantee policy	77.27	55.74	48.98	54.78	45.86	21.53	6.76
PS1 75/75 guarantee policy	70.55	50.36	43.79	48.47	40.16	20.19	6.57
PS1 75/100 guarantee policy	68.07	48.73	42.49	47.16	39.18	19.34	6.24
PS1 100/100 guarantee policy	64.78	46.55	40.75	45.40	37.86	18.23	5.80
PS2 75/75 guarantee policy	97.66	67.92	57.55	62.07	50.11	29.74	10.37
PS2 75/100 guarantee policy	97.64	67.91	57.54	62.06	50.10	29.73	10.37
PS2 100/100 guarantee policy	97.62	67.89	57.53	62.04	50.09	29.73	10.36
PS 75/75 guarantee policy	25.61	18.15	15.68	17.23	14.17	7.46	2.47
PS 75/100 guarantee policy	25.18	17.89	15.49	17.07	14.08	7.29	2.40
PS 100/100 guarantee policy	24.57	17.53	15.24	16.85	13.95	7.04	2.29
PPS 75/75 guarantee policy	26.34	18.60	16.00	17.51	14.35	7.74	2.60
PPS 75/100 guarantee policy	25.82	18.28	15.77	17.31	14.22	7.54	2.51
PPS 100/100 guarantee policy	25.19	17.90	15.50	—	14.09	7.29	2.40

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The American Growth Fund (AGF) SF247 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

American Growth Fund (AGF) SF247

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

American Growth Fund (AGF) SF247

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.63	3.60	3.60	3.59	3.57
Generations I	3.29	3.26	3.26	3.25	3.23
Generations II	3.66	3.63	3.63	3.63	3.60
Generations Core	3.02	2.99	3.00	2.99	2.97
75/75 guarantee policy	3.02	2.99	2.99	2.98	2.97
75/100 guarantee policy	3.29	3.26	3.25	3.25	3.23
100/100 guarantee policy	3.66	3.63	3.64	3.62	3.60
PS1 75/75 guarantee policy	2.61	2.59	2.58	2.57	2.56
PS1 75/100 guarantee policy	2.89	2.86	2.86	2.85	2.83
PS1 100/100 guarantee policy	3.28	3.25	3.26	3.24	3.22
PS 75/75 guarantee policy	1.91	1.89	1.88	1.87	1.87
PS 75/100 guarantee policy	2.17	2.16	2.15	2.14	2.13
PS 100/100 guarantee policy	2.55	2.53	2.52	2.53	2.51
PPS 75/75 guarantee policy	1.50	1.49	1.48	1.48	1.48
PPS 75/100 guarantee policy	1.78	1.76	1.75	1.75	1.75
PPS 100/100 guarantee policy	2.17	2.15	2.15	—	2.17

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	8.79	4.79	3.46	4.65	12.96

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN GROWTH & INCOME FUND (AGF)
SF249

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Growth & Income Fund (AGF) SF249 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Growth & Income Fund (AGF) SF249

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	47
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	33,140	21,937
Total investments	33,140	21,937
Total assets	\$ 33,140	\$ 21,984
Liabilities		
Overdrafts	\$ 10	\$ 47
Due to The Canada Life Assurance Company (note 8)	4	3
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	14	50
Net assets attributable to contractholders	\$ 33,126	\$ 21,934

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,294	\$ 1,922
Miscellaneous income (loss)	—	—
Total income (loss)	2,294	1,922
Expenses		
Management fees (note 8)	511	387
Other	56	43
Total expenses	567	430
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,727	\$ 1,492

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 21,934	\$ 18,081
Contractholder deposits	12,827	4,936
Contractholder withdrawals	(3,362)	(2,575)
Increase (decrease) in net assets from operations attributable to contractholders	1,727	1,492
Change in net assets attributable to contractholders	11,192	3,853
Net assets attributable to contractholders - end of year	\$ 33,126	\$ 21,934

Canadian Growth & Income Fund (AGF) SF249

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,727	\$ 1,492
Adjustments		
Realized (gains) losses	(102)	155
Unrealized (gains) losses	(954)	(1,458)
Gross proceeds of disposition of investments	3,411	3,142
Gross payments for the purchase of investments	(12,320)	(5,273)
Distribution income of underlying mutual fund	(1,238)	(619)
Change in due from/to The Canada Life Assurance Company	1	84
Change in due from/to brokers	47	(47)
	<u>(9,428)</u>	<u>(2,524)</u>
Financing Activities		
Contractholder deposits	12,827	4,936
Contractholder withdrawals	(3,362)	(2,575)
	<u>9,465</u>	<u>2,361</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	37	(163)
Cash, short-term deposits and overdrafts, beginning of year	(47)	116
Cash, short-term deposits and overdrafts, end of year	\$ (10)	\$ (47)

Canadian Growth & Income Fund (AGF) SF249

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Conservative Portfolio *	3,343,532	32,612	33,140
Total Investments		32,613	33,140

Top Holdings

Security Description	% of Total
Canada Life Sustainable Global Bond Fund Series R *	67.83%
Canada Life Sustainable Global Equity Fund Series R *	11.50%
Canada Life ESG U.S. Equity Fund Series R *	8.29%
Canada Life International Equity Fund Series R *	5.00%
Cash and short-term deposits	3.02%
Canada Life U.S. Carbon Transition Equity Fund Series R *	2.42%
Canada Life Sustainable Emerging Markets Equity *	1.94%

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Growth & Income Fund (AGF) SF249

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	113,715	125,916	141,338	173,505	203,834	2,749	2,856	2,986	4,178	4,761
Generations I	86,176	93,230	121,619	136,922	150,983	1,487	1,508	1,830	2,345	2,498
Generations II	11,003	11,254	14,215	19,163	27,504	162	156	183	282	392
Generations Core	27,727	36,006	36,352	40,833	46,715	430	521	489	623	688
75/75 guarantee policy	193,644	116,630	69,974	53,387	53,621	3,192	1,797	1,001	866	840
75/100 guarantee policy	533,856	410,039	352,603	166,441	156,684	8,672	6,243	4,995	2,684	2,441
100/100 guarantee policy	22,873	15,257	25,245	23,167	23,556	360	226	348	365	359
PS1 75/75 guarantee policy	148,642	25,017	34,783	20,594	16,178	2,609	409	527	353	267
PS1 75/100 guarantee policy	563,640	391,502	290,954	131,577	124,019	9,708	6,294	4,335	2,223	2,018
PS1 100/100 guarantee policy	80,158	7,702	920	1,538	1,705	1,347	121	13	25	27
PS2 75/75 guarantee policy	7,896	1,915	2,138	—	—	185	41	42	—	—
PS2 75/100 guarantee policy	25,198	10,957	18,945	10,779	11,554	591	235	369	233	235
PS 75/75 guarantee policy	1,593	3,653	457	475	514	20	42	5	6	6
PS 75/100 guarantee policy	37,550	32,841	25,714	4,010	—	461	375	271	48	—
PPS 75/75 guarantee policy	20,358	20,566	20,601	—	—	258	241	221	—	—
PPS 75/100 guarantee policy	71,361	43,037	43,677	—	—	895	500	466	—	—
PPS 100/100 guarantee policy	—	32,115	—	—	—	—	369	—	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	24.17	22.68	21.13	24.08	23.36	1.49	1.55
Generations I	17.25	16.17	15.05	17.13	16.55	1.08	1.12
Generations II	14.72	13.83	12.90	14.72	14.25	0.89	0.93
Generations Core	15.49	14.48	13.44	15.25	14.73	1.01	1.04
75/75 guarantee policy	16.49	15.41	14.30	16.23	15.67	1.08	1.11
75/100 guarantee policy	16.24	15.23	14.17	16.13	15.58	1.01	1.06
100/100 guarantee policy	15.75	14.79	13.79	15.74	15.24	0.96	1.00
PS1 75/75 guarantee policy	17.55	16.36	15.15	17.16	16.50	1.19	1.21
PS1 75/100 guarantee policy	17.22	16.08	14.90	16.89	16.27	1.14	1.18
PS1 100/100 guarantee policy	16.80	15.70	14.57	16.54	15.96	1.10	1.13
PS2 75/75 guarantee policy	23.44	21.43	19.46	—	—	2.01	1.97
PS2 75/100 guarantee policy	23.46	21.45	19.48	21.65	20.33	2.01	1.97
PS 75/75 guarantee policy	12.41	11.50	10.59	11.92	11.38	0.91	0.91
PS 75/100 guarantee policy	12.27	11.40	10.52	11.88	—	0.87	0.88
PPS 75/75 guarantee policy	12.66	11.71	10.75	—	—	0.95	0.96
PPS 75/100 guarantee policy	12.55	11.62	10.67	—	—	0.93	0.95
PPS 100/100 guarantee policy	—	11.50	—	—	—	—	0.92

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Growth & Income Fund (AGF) SF249 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Growth & Income Fund (AGF) SF249

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Growth & Income Fund (AGF) SF249

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.57	2.55	2.53	3.23	3.32
Generations I	2.46	2.44	2.42	2.82	2.88
Generations II	2.68	2.66	2.64	3.08	3.13
Generations Core	2.18	2.16	2.14	2.75	2.82
75/75 guarantee policy	2.18	2.16	2.14	2.74	2.82
75/100 guarantee policy	2.46	2.44	2.40	2.82	2.88
100/100 guarantee policy	2.68	2.66	2.63	3.07	3.13
PS1 75/75 guarantee policy	1.94	1.92	1.90	2.35	2.42
PS1 75/100 guarantee policy	2.05	2.03	2.00	2.51	2.58
PS1 100/100 guarantee policy	2.16	2.15	2.13	2.73	2.80
PS 75/75 guarantee policy	1.34	1.34	1.30	1.68	1.72
PS 75/100 guarantee policy	1.62	1.61	1.57	1.56	—
PPS 75/75 guarantee policy	1.10	1.09	1.08	—	—
PPS 75/100 guarantee policy	1.21	1.20	1.18	—	—
PPS 100/100 guarantee policy	—	1.31	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	12.82	15.82	13.49	109.43	5.74

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND S-285LL

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund S-285LL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund S-285LL

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 3,313	\$ 1,683
Investment income due and accrued	367	293
Due from The Canada Life Assurance Company (note 7)	29	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	189,749	124,710
Investment fund units	—	—
Total investments	189,749	124,710
Total assets	\$ 193,458	\$ 126,686
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	315
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	315
Net assets attributable to contractholders	\$ 193,458	\$ 126,371

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 25,440	\$ 11,907
Miscellaneous income (loss)	27	28
Total income (loss)	25,467	11,935
Expenses		
Management fees (note 7)	619	554
Transaction costs	22	9
Withholding taxes	—	—
Other	68	59
Total expenses	709	622
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 24,758	\$ 11,313

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 126,371	\$ 112,304
Contractholder deposits	58,005	13,582
Contractholder withdrawals	(15,676)	(10,828)
Increase (decrease) in net assets from operations attributable to contractholders	24,758	11,313
Change in net assets attributable to contractholders	67,087	14,067
Net assets attributable to contractholders - end of year	\$ 193,458	\$ 126,371

Canadian Equity Fund S-285LL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 24,758	\$ 11,313
Adjustments		
Realized (gains) losses	(2,097)	(871)
Unrealized (gains) losses	(19,151)	(7,021)
Gross proceeds of disposition of investments	13,266	3,727
Gross payments for the purchase of investments	(57,057)	(9,305)
Change in investment income due and accrued	(74)	(89)
Change in due from/to The Canada Life Assurance Company	(344)	386
Change in due from/to brokers	—	(175)
Change in due from/to outside parties	—	—
	(40,699)	(2,035)
Financing Activities		
Contractholder deposits	58,005	13,582
Contractholder withdrawals	(15,676)	(10,828)
	42,329	2,754
Net increase (decrease) in cash, short-term deposits and overdrafts	1,630	719
Cash, short-term deposits and overdrafts, beginning of year	1,683	964
Cash, short-term deposits and overdrafts, end of year	\$ 3,313	\$ 1,683
Supplementary cash flow information		
Dividend income received	\$ 4,077	\$ 3,853

Canadian Equity Fund S-285LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Cogeco Communications Inc. sub. voting	11,340	776	764
Rogers Communications Inc. Class B non-voting	33,190	1,849	1,467
TELUS Corp.	128,650	3,138	2,507
TELUS International Inc.	55,720	1,176	315
Consumer Discretionary			
BRP Inc.	16,613	1,238	1,216
Canadian Tire Corp. Ltd. Class A non-voting	15,446	2,551	2,336
Dollarama Inc.	24,187	1,892	3,393
Gildan Activewear Inc.	28,000	1,296	1,894
Linamar Corp.	36,694	2,398	2,084
Consumer Staples			
Alimentation Couche-Tard Inc.	55,623	2,833	4,434
Empire Co. Ltd. Class A non-voting	54,878	2,068	2,409
Loblaw Companies Ltd.	17,967	1,735	3,399
Saputo Inc.	51,315	1,519	1,282
Energy			
Canadian Natural Resources Ltd.	151,074	4,028	6,704
Cenovus Energy Inc.	72,499	1,150	1,580
Enbridge Inc.	59,149	2,893	3,609
South Bow Corp.	13,813	380	469
Suncor Energy Inc.	102,418	3,683	5,255
TC Energy Corp.	54,353	3,042	3,641
Tourmaline Oil Corp.	32,063	1,311	2,133
Exchange Traded Funds			
Mackenzie US Large Cap Index ETF *	40,988	6,964	9,969
Financials			
Bank of Montreal	44,625	5,307	6,227

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Equity Fund S-285LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials (continued)			
Brookfield Asset Management Inc. Class A	16,633	776	1,297
Brookfield Corp.	69,092	3,556	5,708
Canadian Western Bank	55,537	2,105	3,263
Definity Financial Corp.	16,948	555	991
iA Financial Corp. Inc.	17,648	1,416	2,353
Intact Financial Corp.	14,605	2,675	3,823
Manulife Financial Corp.	106,063	3,020	4,684
Onex Corp. sub. voting	27,396	2,338	3,076
Royal Bank of Canada	83,359	10,506	14,447
Sun Life Financial Inc.	60,887	4,169	5,197
The Bank of Nova Scotia	65,230	4,635	5,035
The Toronto-Dominion Bank	112,222	8,232	8,587
Health Care			
DRI Healthcare Trust	130,929	1,424	1,549
Jamieson Wellness Inc.	32,595	1,107	1,197
Industrials			
AtkinsRealis Group Inc.	37,483	1,491	2,858
Bombardier Inc. Class B sub. voting	14,198	686	1,388
CAE Inc.	64,159	2,140	2,342
Canadian National Railway Co.	42,754	6,042	6,241
Canadian Pacific Kansas City Ltd.	62,769	5,508	6,533
Stantec Inc.	6,191	402	698
Transcontinental Inc. Class A sub. voting	59,656	1,125	1,108
WSP Global Inc.	8,663	1,404	2,191
Information Technology			
CGI Group Inc. Class A sub. voting	31,974	3,565	5,029
Open Text Corp.	31,079	1,519	1,264
Shopify Inc.	16,405	1,483	2,510
Materials			
Agnico Eagle Mines Ltd.	48,504	4,313	5,455

Canadian Equity Fund S-285LL

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Materials (continued)			
Cascades Inc.	35,120	479	418
CCL Industries Inc. Class B non-voting	46,587	2,993	3,445
Franco-Nevada Corp.	6,130	1,045	1,035
Interfor Corp.	51,138	928	859
Kinross Gold Corp.	244,624	2,306	3,266
Nutrien Ltd.	36,561	2,324	2,352
Teck Resources Ltd. Class B	32,267	1,168	1,881
Real Estate			
Allied Properties REIT	76,237	2,081	1,307
Boardwalk REIT	38,209	1,770	2,455
CT REIT	57,153	899	817
Utilities			
Capital Power Corp.	25,839	1,109	1,646
Fortis Inc.	19,572	1,075	1,169
Northland Power Inc.	94,295	2,728	1,688
TransAlta Corp.	73,758	915	1,500
Total Canadian Common Stock		151,239	189,749
Total Stocks		151,239	189,749
Transaction Costs (note 2)		(78)	
Total Investments		151,161	189,749

Canadian Equity Fund S-285LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Canadian Equity Fund S-285LL (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Canadian Equity Fund S-285LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 48	\$ 48	\$ —
Total	\$ —	\$ 48	\$ 48	\$ —
As Percent of Net Assets Attributable to Contractholders				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 47	\$ 47	\$ —
Total	\$ —	\$ 47	\$ 47	\$ —
As Percent of Net Assets Attributable to Contractholders				—%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,897 (\$1,247 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Canadian Equity Fund S-285LL

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 189,749	\$ —	\$ —	\$ 189,749
Total assets measured at fair value	\$ 189,749	\$ —	\$ —	\$ 189,749

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 124,710	\$ —	\$ —	\$ 124,710
Total assets measured at fair value	\$ 124,710	\$ —	\$ —	\$ 124,710

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Canadian Equity Fund S-285LL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	71,351	83,372	29,474	30,850	29,047	1,744	1,722	568	618	470
Generations/Mosaic	37,042	53,106	55,699	41,807	39,349	914	1,108	1,084	845	643
Generations I	23,350	32,187	32,671	31,597	32,750	483	562	532	534	447
Generations II	4,739	4,706	4,722	3,981	4,932	77	65	61	54	54
Generations Core	1,588	1,238	3,344	2,982	3,809	28	19	47	43	44
75/75 guarantee policy	163,490	154,625	161,495	91,969	46,163	3,536	2,818	2,739	1,616	654
75/100 guarantee policy	421,494	417,440	378,563	212,741	148,564	8,929	7,466	6,310	3,679	2,076
100/100 guarantee policy	21,109	25,391	36,810	28,221	20,672	424	432	586	468	278
PS1 75/75 guarantee policy	138,194	143,016	147,622	60,550	22,387	3,343	2,902	2,775	1,174	348
PS1 75/100 guarantee policy	334,805	298,716	301,163	167,692	110,820	7,889	5,918	5,539	3,187	1,694
PS1 100/100 guarantee policy	21,775	26,304	29,104	30,274	14,815	491	501	516	556	220
PS2 75/75 guarantee policy	36,258	34,721	90,207	15,898	909	1,159	910	2,143	381	17
PS2 75/100 guarantee policy	11,803	13,217	17,548	6,040	3,220	377	347	417	145	61
PS 75/75 guarantee policy	2,659	2,186	1,988	589	593	43	29	25	7	6
PS 75/100 guarantee policy	32,450	36,328	31,978	12,463	6,416	516	483	392	157	64
PPS 75/75 guarantee policy	43,234	30,062	29,684	34,157	33,986	716	413	374	439	347
PPS 75/100 guarantee policy	39,856	33,647	27,363	1,072	7,250	651	457	341	14	74

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	24.44	20.66	19.27	20.02	16.19	3.78	1.39
Generations/Mosaic	24.68	20.86	19.46	20.22	16.35	3.82	1.40
Generations I	20.69	17.46	16.28	16.89	13.64	3.23	1.18
Generations II	16.34	13.84	12.95	13.48	10.93	2.50	0.89
Generations Core	17.74	14.95	13.91	14.41	11.62	2.79	1.04
75/75 guarantee policy	21.63	18.23	16.96	17.57	14.17	3.40	1.27
75/100 guarantee policy	21.18	17.88	16.67	17.30	13.97	3.30	1.21
100/100 guarantee policy	20.10	17.03	15.93	16.59	13.45	3.07	1.10
PS1 75/75 guarantee policy	24.19	20.29	18.80	19.38	15.56	3.90	1.49
PS1 75/100 guarantee policy	23.56	19.81	18.39	19.01	15.29	3.75	1.42
PS1 100/100 guarantee policy	22.57	19.04	17.73	18.38	14.84	3.53	1.31
PS2 75/75 guarantee policy	31.96	26.22	23.76	23.96	18.81	5.74	2.46
PS2 75/100 guarantee policy	31.96	26.22	23.76	23.96	18.81	5.74	2.46
PS 75/75 guarantee policy	16.09	13.41	12.34	12.64	10.08	2.68	1.07
PS 75/100 guarantee policy	15.91	13.29	12.25	12.57	10.04	2.62	1.04
PPS 75/75 guarantee policy	16.57	13.75	12.59	12.84	10.20	2.82	1.16
PPS 75/100 guarantee policy	16.33	13.58	12.47	12.74	10.14	2.75	1.11

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Fund S-285LL

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Equity Fund S-285LL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	2.97	2.94	2.95	2.94	2.92
Generations/Mosaic	2.97	2.94	2.94	2.94	2.92
Generations I	2.86	2.83	2.84	2.84	2.81
Generations II	3.23	3.20	3.19	3.20	3.17
Generations Core	2.69	2.67	2.67	2.67	2.65
75/75 guarantee policy	2.70	2.67	2.66	2.66	2.64
75/100 guarantee policy	2.86	2.83	2.84	2.83	2.81
100/100 guarantee policy	3.23	3.20	3.19	3.19	3.16
PS1 75/75 guarantee policy	2.23	2.21	2.22	2.20	2.18
PS1 75/100 guarantee policy	2.45	2.43	2.42	2.43	2.40
PS1 100/100 guarantee policy	2.79	2.76	2.75	2.75	2.73
PS 75/75 guarantee policy	1.58	1.56	1.55	1.55	1.54
PS 75/100 guarantee policy	1.75	1.73	1.72	1.72	1.71
PPS 75/75 guarantee policy	1.12	1.10	1.10	1.10	1.09
PPS 75/100 guarantee policy	1.34	1.32	1.33	1.33	1.31

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	8.73	3.15	7.89	47.94	7.08

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. GROWTH LEADERS FUND S-286MF

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Growth Leaders Fund S-286MF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Growth Leaders Fund S-286MF

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,076	\$ 568
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	1,038	100
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	1,437,143	900,473
Total investments	1,437,143	900,473
Total assets	\$ 1,439,257	\$ 901,141
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	376
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	376
Net assets attributable to contractholders	\$ 1,439,257	\$ 900,765

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 436,373	\$ 264,145
Miscellaneous income (loss)	—	—
Total income (loss)	436,373	264,145
Expenses		
Management fees (note 8)	26,464	17,413
Other	2,611	1,702
Total expenses	29,075	19,115

Net increase (decrease) in net assets from operations attributable to contractholders **\$ 407,298** **\$ 245,030**

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 900,765	\$ 643,943
Contractholder deposits	295,092	127,048
Contractholder withdrawals	(163,898)	(115,256)
Increase (decrease) in net assets from operations attributable to contractholders	407,298	245,030
Change in net assets attributable to contractholders	538,492	256,822
Net assets attributable to contractholders - end of year	\$ 1,439,257	\$ 900,765

U.S. Growth Leaders Fund S-286MF

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 407,298	\$ 245,030
Adjustments		
Realized (gains) losses	(21,496)	(14,040)
Unrealized (gains) losses	(396,988)	(247,981)
Gross proceeds of disposition of investments	45,703	52,025
Gross payments for the purchase of investments	(146,000)	(44,282)
Distribution income of underlying mutual fund	(17,889)	(2,124)
Change in due from/to The Canada Life Assurance Company	(938)	(107)
Change in due from/to brokers	(376)	1,484
	(130,686)	(9,995)
Financing Activities		
Contractholder deposits	295,092	127,048
Contractholder withdrawals	(163,898)	(115,256)
	131,194	11,792
Net increase (decrease) in cash, short-term deposits and overdrafts	508	1,797
Cash, short-term deposits and overdrafts, beginning of year	568	(1,229)
Cash, short-term deposits and overdrafts, end of year	\$ 1,076	\$ 568

U.S. Growth Leaders Fund S-286MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life U.S. All Cap Growth Fund Series S *	13,873,830	697,075	1,437,143
Total Investments		697,075	1,437,143

Top 25 Holdings

Security Description	% of Total
Apple Inc.	9.71%
NVIDIA Corp.	9.20%
Amazon.com Inc.	8.14%
Microsoft Corp.	8.12%
Broadcom Inc.	5.20%
Alphabet Inc. Class C	4.27%
Meta Platforms Inc.	4.21%
Tesla Inc.	3.87%
Mastercard Inc. Class A	2.98%
Netflix Inc.	2.23%
Eli Lilly and Co.	2.09%
Visa Inc. Class A	1.83%
Cash and short-term deposits	1.71%
Intuitive Surgical Inc.	1.69%
Oracle Corp.	1.69%
Cadence Design Systems Inc.	1.67%
Salesforce Inc.	1.66%
ServiceNow Inc.	1.33%
Booking Holdings Inc.	1.21%
Spotify Technology SA	1.18%
DoorDash Inc.	1.14%
Chipotle Mexican Grill Inc.	1.09%
Shopify Inc.	1.07%
Howmet Aerospace Inc.	1.05%
Trane Technologies PLC	1.05%

*The issuer of this security is a related company to the issuer of the Fund.

U.S. Growth Leaders Fund S-286MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Flex	192,060	204,957	213,956	233,954	258,786	7,801	5,865	4,445	6,619	6,292
Generations/Mosaic	1,149,646	1,333,317	1,429,186	1,576,879	1,863,258	47,148	38,521	29,979	45,043	45,742
Generations I	186,598	214,610	236,118	274,899	376,566	15,034	12,170	9,713	15,386	18,098
Generations II	92,872	112,845	131,278	138,492	159,073	5,924	5,088	4,312	6,215	6,155
Generations Core	130,808	161,903	198,805	237,990	306,843	9,135	7,957	7,086	11,539	12,772
75/75 guarantee policy	2,436,750	2,345,529	2,504,517	2,390,008	2,134,923	218,101	147,732	114,408	148,508	113,885
75/100 guarantee policy	3,733,696	3,495,292	3,339,898	3,234,268	2,813,847	332,099	218,834	151,696	199,871	149,322
100/100 guarantee policy	812,320	956,837	1,091,014	1,101,134	1,028,062	67,474	56,176	46,660	64,339	51,795
PS1 75/75 guarantee policy	2,332,302	1,688,811	1,558,404	1,430,364	935,310	189,736	96,183	64,045	79,552	44,430
PS1 75/100 guarantee policy	4,005,219	3,146,621	2,639,495	2,484,241	2,110,273	314,345	173,371	105,226	134,396	97,777
PS1 100/100 guarantee policy	434,310	342,450	257,558	274,871	176,616	32,254	17,933	9,802	14,258	7,881
PS2 75/75 guarantee policy	91,137	88,363	95,862	87,314	72,582	10,059	6,661	5,088	6,120	4,240
PS2 75/100 guarantee policy	158,453	142,037	139,748	145,075	119,005	17,512	10,722	7,428	10,182	6,961
PS2 100/100 guarantee policy	3,253	48,367	—	—	—	357	3,627	—	—	—
PS 75/75 guarantee policy	98,999	95,067	84,473	77,061	56,343	2,810	1,878	1,197	1,469	912
PS 75/100 guarantee policy	187,132	146,151	122,838	85,488	26,932	5,303	2,883	1,739	1,629	436
PS 100/100 guarantee policy	3,013	2,970	3,686	3,935	870	83	57	51	74	14
PPS 75/75 guarantee policy	205,292	138,838	116,463	79,261	29,971	6,028	2,823	1,690	1,540	492
PPS 75/100 guarantee policy	377,451	308,582	212,069	195,039	55,215	10,890	6,181	3,040	3,753	900
PPS 100/100 guarantee policy	27,423	19,763	19,876	19,991	5,745	769	386	279	379	93
75/75 Constellation	3,304	—	—	—	—	36	—	—	—	—
75/100 Constellation	1,488	—	—	—	—	16	—	—	—	—

U.S. Growth Leaders Fund S-286MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Flex	40.62	28.61	20.78	28.29	24.31	12.01	7.83
Generations/Mosaic	41.01	28.89	20.98	28.56	24.55	12.12	7.91
Generations I	80.57	56.71	41.14	55.97	48.06	23.86	15.57
Generations II	63.79	45.09	32.84	44.87	38.69	18.70	12.25
Generations Core	69.84	49.15	35.64	48.48	41.62	20.69	13.51
75/75 guarantee policy	89.50	62.98	45.68	62.14	53.34	26.52	17.30
75/100 guarantee policy	88.95	62.61	45.42	61.80	53.07	26.34	17.19
100/100 guarantee policy	83.06	58.71	42.77	58.43	50.38	24.35	15.94
PS1 75/75 guarantee policy	81.35	56.95	41.10	55.62	47.50	24.40	15.85
PS1 75/100 guarantee policy	78.48	55.10	39.87	54.10	46.33	23.38	15.23
PS1 100/100 guarantee policy	74.27	52.37	38.06	51.87	44.62	21.90	14.31
PS2 75/75 guarantee policy	110.37	75.39	53.08	70.09	58.42	34.98	22.31
PS2 75/100 guarantee policy	110.52	75.49	53.15	70.18	58.50	35.03	22.34
PS2 100/100 guarantee policy	109.81	75.00	—	—	—	34.81	22.19
PS 75/75 guarantee policy	28.39	19.76	14.17	19.07	16.19	8.63	5.59
PS 75/100 guarantee policy	28.34	19.73	14.16	19.05	16.18	8.61	5.57
PS 100/100 guarantee policy	27.58	19.28	13.89	18.78	16.01	8.30	5.39
PPS 75/75 guarantee policy	29.36	20.33	14.51	19.43	16.41	9.03	5.82
PPS 75/100 guarantee policy	28.85	20.03	14.34	19.24	16.30	8.82	5.69
PPS 100/100 guarantee policy	28.04	19.56	14.06	18.95	16.13	8.48	5.50
75/75 Constellation	10.88	—	—	—	—	0.88	—
75/100 Constellation	10.87	—	—	—	—	0.87	—

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The U.S. Growth Leaders Fund S-286MF (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Growth Leaders Fund S-286MF

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

U.S. Growth Leaders Fund S-286MF

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Flex	3.11	3.07	3.09	3.07	3.06
Generations/Mosaic	3.11	3.07	3.09	3.07	3.06
Generations I	3.02	2.98	3.00	2.98	2.97
Generations II	3.44	3.40	3.42	3.39	3.39
Generations Core	2.99	2.96	2.98	2.96	2.95
75/75 guarantee policy	2.99	2.96	2.98	2.95	2.95
75/100 guarantee policy	3.02	2.98	3.00	2.98	2.97
100/100 guarantee policy	3.44	3.40	3.42	3.39	3.38
PS1 75/75 guarantee policy	2.48	2.45	2.46	2.44	2.40
PS1 75/100 guarantee policy	2.76	2.72	2.74	2.71	2.67
PS1 100/100 guarantee policy	3.20	3.16	3.18	3.15	3.11
PS 75/75 guarantee policy	1.89	1.86	1.88	1.86	1.85
PS 75/100 guarantee policy	1.92	1.89	1.90	1.87	1.88
PS 100/100 guarantee policy	2.33	2.30	2.32	2.30	2.30
PPS 75/75 guarantee policy	1.38	1.35	1.36	1.34	1.30
PPS 75/100 guarantee policy	1.65	1.63	1.64	1.61	1.58
PPS 100/100 guarantee policy	2.09	2.07	2.08	2.06	2.02

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.48	2.45	2.46	2.44	2.44
PS1 75/100 guarantee policy	2.76	2.72	2.74	2.71	2.71
PS1 100/100 guarantee policy	3.20	3.16	3.18	3.15	3.15
PPS 75/75 guarantee policy	1.38	1.35	1.36	1.34	1.34
PPS 75/100 guarantee policy	1.65	1.63	1.64	1.61	1.62
PPS 100/100 guarantee policy	2.09	2.07	2.08	2.06	2.06

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	3.98	5.75	5.86	64.74	9.37

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN GROWTH FUND (AIM) SF289

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Growth Fund (AIM) SF289 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Growth Fund (AIM) SF289

(in Canadian \$ thousands)

Fund Manager: Invesco Canada Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	9
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	9,676	7,790
Total investments	9,676	7,790
Total assets	\$ 9,676	\$ 7,799
Liabilities		
Overdrafts	\$ 3	\$ 16
Due to The Canada Life Assurance Company (note 8)	2	2
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	18
Net assets attributable to contractholders	\$ 9,671	\$ 7,781

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,348	\$ 1,327
Miscellaneous income (loss)	—	—
Total income (loss)	2,348	1,327
Expenses		
Management fees (note 8)	256	219
Other	27	23
Total expenses	283	242
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,065	\$ 1,085

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 7,781	\$ 7,434
Contractholder deposits	568	146
Contractholder withdrawals	(743)	(884)
Increase (decrease) in net assets from operations attributable to contractholders	2,065	1,085
Change in net assets attributable to contractholders	1,890	347
Net assets attributable to contractholders - end of year	\$ 9,671	\$ 7,781

Canadian Growth Fund (AIM) SF289

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,065	\$ 1,085
Adjustments		
Realized (gains) losses	(695)	(503)
Unrealized (gains) losses	(1,538)	(704)
Gross proceeds of disposition of investments	1,427	1,185
Gross payments for the purchase of investments	(965)	(210)
Distribution income of underlying mutual fund	(115)	(120)
Change in due from/to The Canada Life Assurance Company	—	—
Change in due from/to brokers	9	(2)
	<u>188</u>	<u>731</u>
Financing Activities		
Contractholder deposits	568	146
Contractholder withdrawals	(743)	(884)
	<u>(175)</u>	<u>(738)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	13	(7)
Cash, short-term deposits and overdrafts, beginning of year	(16)	(9)
Cash, short-term deposits and overdrafts, end of year	\$ (3)	\$ (16)

Canadian Growth Fund (AIM) SF289

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Invesco EQV Canadian Premier Equity Class Series I	134,069	4,551	9,676
Total Investments		4,551	9,676

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	5.00%
Bank of Montreal	3.13%
Celestica Inc.	3.12%
Element Fleet Management Corp.	2.76%
Toromont Industries Ltd.	2.76%
Canadian Pacific Kansas City Ltd.	2.69%
Fairfax Financial Holdings Ltd. sub. voting	2.48%
CGI Group Inc. Class A sub. voting	2.26%
Canadian Dollar Cash Management Fund Series I	2.05%
Intact Financial Corp.	1.97%
Taiwan Semiconductor Manufacturing Co. Ltd.	1.97%
Brookfield Corp.	1.95%
Alimentation Couche-Tard Inc.	1.90%
Broadcom Inc.	1.90%
Wheaton Precious Metals Corp.	1.84%
Methanex Corp.	1.75%
Canadian Natural Resources Ltd.	1.73%
Franco-Nevada Corp.	1.72%
RB Global Inc.	1.70%
Teva Pharmaceutical Industries Ltd. ADR	1.58%
JPMorgan Chase & Co.	1.57%
Stantec Inc.	1.56%
Coherent Corp.	1.54%
PrairieSky Royalty Ltd.	1.49%
Definity Financial Corp.	1.48%

Canadian Growth Fund (AIM) SF289

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	83,896	93,813	109,076	119,334	135,580	2,990	2,680	2,713	3,155	2,987
Generations I	17,795	18,727	18,552	20,957	26,056	483	406	349	418	432
Generations II	3,053	3,133	3,211	3,338	4,629	70	57	51	56	65
Generations Core	9,126	9,213	10,139	11,581	13,195	224	180	172	207	195
75/75 guarantee policy	12,078	17,808	19,037	20,369	24,938	365	429	397	448	455
75/100 guarantee policy	55,527	78,624	90,031	98,471	118,624	1,623	1,836	1,825	2,113	2,116
100/100 guarantee policy	5,294	8,047	12,490	14,193	16,378	150	183	246	297	286
PS1 75/75 guarantee policy	58,581	26,668	22,335	22,595	21,368	1,902	686	494	525	409
PS1 75/100 guarantee policy	47,367	40,915	42,809	42,281	36,275	1,495	1,025	925	962	681
PS2 100/100 guarantee policy	8,008	8,353	8,712	9,084	9,470	356	287	251	268	225
PS 75/75 guarantee policy	699	837	904	959	968	13	12	11	12	10
PPS 75/100 guarantee policy	—	—	—	14,131	13,864	—	—	—	184	148

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	35.64	28.56	24.87	26.43	22.03	7.08	3.69
Generations I	27.17	21.70	18.84	19.95	16.58	5.47	2.86
Generations II	22.87	18.31	15.92	16.90	14.08	4.56	2.39
Generations Core	24.54	19.55	16.92	17.87	14.81	4.99	2.63
75/75 guarantee policy	30.23	24.08	20.84	22.01	18.24	6.15	3.24
75/100 guarantee policy	29.23	23.35	20.27	21.46	17.84	5.88	3.08
100/100 guarantee policy	28.32	22.68	19.72	20.93	17.43	5.64	2.96
PS1 75/75 guarantee policy	32.46	25.71	22.13	23.23	19.14	6.75	3.58
PS1 75/100 guarantee policy	31.57	25.06	21.61	22.75	18.78	6.51	3.45
PS2 100/100 guarantee policy	44.46	34.34	28.83	29.53	23.74	10.12	5.51
PS 75/75 guarantee policy	18.29	14.41	12.33	12.88	10.56	3.88	2.08
PPS 75/100 guarantee policy	—	—	—	13.04	10.65	—	—

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Growth Fund (AIM) SF289 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Growth Fund (AIM) SF289

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Growth Fund (AIM) SF289

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.68	3.66	3.66	3.66	3.66
Generations I	3.35	3.33	3.33	3.34	3.33
Generations II	3.57	3.55	3.55	3.56	3.55
Generations Core	3.07	3.05	3.06	3.06	3.06
75/75 guarantee policy	3.07	3.05	3.06	3.06	3.06
75/100 guarantee policy	3.35	3.33	3.33	3.34	3.33
100/100 guarantee policy	3.57	3.55	3.56	3.56	3.55
PS1 75/75 guarantee policy	2.50	2.48	2.48	2.48	2.48
PS1 75/100 guarantee policy	2.72	2.70	2.71	2.70	2.71
PS 75/75 guarantee policy	1.98	1.95	1.96	1.96	1.94
PPS 75/100 guarantee policy	—	—	—	1.60	1.60

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	10.60	2.74	1.58	1.23	0.96

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MID CAP CANADA FUND S-346G

December 31, 2024

Independent Auditor's Report

To the Contractholders of Mid Cap Canada Fund S-346G (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Mid Cap Canada Fund S-346G

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 763	\$ 511
Investment income due and accrued	208	215
Due from The Canada Life Assurance Company (note 7)	—	66
Due from brokers	32	90
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	117,544	115,436
Investment fund units	—	—
Total investments	117,544	115,436
Total assets	\$ 118,547	\$ 116,318
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	34	—
Due to brokers	—	151
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	34	151
Net assets attributable to contractholders	\$ 118,513	\$ 116,167

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 18,471	\$ 7,748
Miscellaneous income (loss)	26	10
Total income (loss)	18,497	7,758
Expenses		
Management fees (note 7)	1,724	1,589
Transaction costs	109	157
Withholding taxes	—	—
Other	189	174
Total expenses	2,022	1,920
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 16,475	\$ 5,838

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 116,167	\$ 113,333
Contractholder deposits	12,429	7,332
Contractholder withdrawals	(26,558)	(10,336)
Increase (decrease) in net assets from operations attributable to contractholders	16,475	5,838
Change in net assets attributable to contractholders	2,346	2,834
Net assets attributable to contractholders - end of year	\$ 118,513	\$ 116,167

Mid Cap Canada Fund S-346G

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 16,475	\$ 5,838
Adjustments		
Realized (gains) losses	(6,948)	3,997
Unrealized (gains) losses	(9,604)	(9,612)
Gross proceeds of disposition of investments	64,104	74,455
Gross payments for the purchase of investments	(49,660)	(73,164)
Change in investment income due and accrued	7	34
Change in due from/to The Canada Life Assurance Company	100	(65)
Change in due from/to brokers	(93)	61
Change in due from/to outside parties	—	—
	14,381	1,544
Financing Activities		
Contractholder deposits	12,429	7,332
Contractholder withdrawals	(26,558)	(10,336)
	(14,129)	(3,004)
Net increase (decrease) in cash, short-term deposits and overdrafts	252	(1,460)
Cash, short-term deposits and overdrafts, beginning of year	511	1,971
Cash, short-term deposits and overdrafts, end of year	\$ 763	\$ 511
Supplementary cash flow information		
Dividend income received	\$ 1,851	\$ 2,103

Mid Cap Canada Fund S-346G

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Consumer Discretionary			
Aritzia Inc.	77,715	2,535	4,154
Pollard Banknote Ltd.	92,719	2,628	2,225
Energy			
Advantage Energy Ltd.	104,226	1,125	1,028
ARC Resources Ltd.	82,443	1,589	2,149
Athabasca Oil Corp.	260,472	1,425	1,388
Freehold Royalties Ltd.	56,860	791	727
Headwater Exploration Inc.	201,354	1,240	1,331
Kelt Exploration Ltd.	127,928	613	898
North American Construction Group Ltd.	61,052	1,269	1,891
NuVista Energy Ltd.	97,204	1,224	1,343
Parkland Corp. of Canada	30,870	1,135	1,004
PrairieSky Royalty Ltd.	68,158	1,323	1,910
Tamarack Valley Energy Ltd.	242,982	886	1,164
Topaz Energy Corp.	69,296	1,427	1,930
Exchange Traded Funds			
iShares S&P/TSX Completion Index ETF	22,556	835	861
Financials			
Definity Financial Corp.	92,894	3,179	5,431
Element Fleet Management Corp.	181,687	3,875	5,281
EQB Inc.	33,116	2,540	3,277
goeasy Ltd.	17,881	2,499	2,981
iA Financial Corp. Inc.	11,374	750	1,516
Trisura Group Ltd.	96,911	3,774	3,778
Health Care			
Andlauer Healthcare Group Inc.	47,062	1,800	1,986
Calian Group Ltd.	22,633	1,222	1,094
Jamieson Wellness Inc.	55,019	1,689	2,020
Savaria Corp.	228,177	3,675	4,539

Mid Cap Canada Fund S-346G

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials			
ADENTRA Inc.	83,584	2,513	3,103
AG Growth International Inc.	36,897	1,861	1,875
AtkinsRealis Group Inc.	20,073	1,502	1,531
ATS Corp.	36,788	1,359	1,613
Badger Infrastructure Solutions Ltd.	17,195	653	617
Boyd Group Services Inc.	10,716	2,361	2,323
Cargojet Inc.	26,008	3,079	2,805
K-Bro Linen Inc.	87,205	3,092	3,303
Richelieu Hardware Ltd.	89,381	3,542	3,489
Stantec Inc.	26,867	1,538	3,030
TFI International Inc.	8,170	1,371	1,587
Information Technology			
Computer Modelling Group Ltd.	54,830	649	584
Docebo Inc.	22,389	1,515	1,443
Kinaxis Inc.	15,152	2,165	2,623
Real Matters Inc.	37,943	259	248
Tecsys Inc.	85,143	2,979	3,904
The Descartes Systems Group Inc.	29,115	2,927	4,758
Materials			
Alamos Gold Inc.	152,347	2,769	4,040
Capstone Copper Corp.	104,947	769	933
New Gold Inc.	719,011	1,570	2,581
Stella-Jones Inc.	18,656	784	1,328
Wesdome Gold Mines Ltd.	121,077	1,584	1,563
Wheaton Precious Metals Corp.	11,063	645	895
Winpak Ltd.	24,682	1,025	1,178
Real Estate			
Colliers International Group Inc.	18,822	2,815	3,679
Dream Industrial REIT	87,710	1,240	1,036
FirstService Corp.	10,554	1,954	2,748
Mainstreet Equity Corp.	3,018	601	610

Mid Cap Canada Fund S-346G

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Real Estate (continued)			
StorageVault Canada Inc.	466,226	2,632	1,837
Total Canadian Common Stock		96,801	117,170
Global Common Stock			
Ireland			
Kneat.com Inc.	63,886	376	374
Total Global Common Stock		376	374
Total Stocks		97,177	117,544
Transaction Costs (note 2)		(102)	
Total Investments		97,075	117,544

Mid Cap Canada Fund S-346G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Mid Cap Canada Fund S-346G (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Mid Cap Canada Fund S-346G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ —	\$ (2)	\$ (2)	\$ —	—
Total	\$ —	\$ (2)	\$ (2)	\$ —	—
As Percent of Net Assets Attributable to Contractholders			—%	—%	—%
<i>*Includes both monetary and non-monetary instruments</i>					

The Fund had no significant exposure to foreign currency as at December 31, 2023.

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,175 (\$1,154 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Mid Cap Canada Fund S-346G

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 117,544	\$ —	\$ —	\$ 117,544
Total assets measured at fair value		\$ 117,544	\$ —	\$ —	\$ 117,544

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 115,436	\$ —	\$ —	\$ 115,436
Total assets measured at fair value		\$ 115,436	\$ —	\$ —	\$ 115,436

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Mid Cap Canada Fund S-346G

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	89,828	101,188	117,358	154,402	162,875	2,710	2,727	3,058	4,769	4,699
Generations I	43,324	50,053	54,892	78,795	76,807	865	890	942	1,599	1,453
Generations II	13,399	13,522	19,278	21,951	22,756	241	217	300	406	394
Generations Core	19,372	22,500	29,380	31,931	32,938	387	400	502	645	618
75/75 guarantee policy	422,270	415,199	439,263	365,013	218,867	11,910	10,414	10,605	10,401	5,799
75/100 guarantee policy	840,452	858,186	903,959	871,545	555,656	22,918	20,857	21,193	24,170	14,361
100/100 guarantee policy	52,725	51,535	59,137	66,448	65,818	1,352	1,183	1,315	1,755	1,627
PS1 75/75 guarantee policy	479,173	430,625	409,499	323,455	155,506	11,341	9,021	8,220	7,628	3,394
PS1 75/100 guarantee policy	784,369	732,124	814,136	861,980	420,393	18,057	14,952	15,966	19,904	9,005
PS1 100/100 guarantee policy	44,148	29,917	32,132	37,199	33,531	968	584	605	827	695
PS2 75/75 guarantee policy	49,681	58,417	144,553	87,554	39,763	1,578	1,604	3,716	2,584	1,061
PS2 75/100 guarantee policy	77,011	84,920	101,087	103,289	36,411	2,444	2,331	2,597	3,046	971
PS2 100/100 guarantee policy	350	359	368	377	386	11	10	9	11	10
PS 75/75 guarantee policy	31,073	42,136	36,230	28,447	20,339	455	542	444	407	267
PS 75/100 guarantee policy	65,599	61,884	64,605	47,020	38,822	946	787	783	667	508
PPS 75/75 guarantee policy	45,632	48,575	50,300	59,665	22,152	688	641	629	867	295
PPS 75/100 guarantee policy	41,510	54,981	53,635	37,545	11,420	617	717	664	541	151
PPS 100/100 guarantee policy	1,000	924	969	1,027	203	14	12	12	15	3

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	30.17	26.95	26.06	30.89	28.85	3.22	0.89
Generations I	19.96	17.79	17.16	20.30	18.91	2.17	0.63
Generations II	17.96	16.07	15.57	18.49	17.31	1.89	0.50
Generations Core	19.98	17.77	17.10	20.19	18.77	2.21	0.67
75/75 guarantee policy	28.20	25.08	24.14	28.49	26.50	3.12	0.94
75/100 guarantee policy	27.27	24.30	23.44	27.73	25.85	2.97	0.86
100/100 guarantee policy	25.65	22.95	22.24	26.42	24.72	2.70	0.71
PS1 75/75 guarantee policy	23.67	20.95	20.07	23.58	21.83	2.72	0.88
PS1 75/100 guarantee policy	23.02	20.42	19.61	23.09	21.42	2.60	0.81
PS1 100/100 guarantee policy	21.92	19.52	18.82	22.24	20.71	2.40	0.70
PS2 75/75 guarantee policy	31.76	27.46	25.71	29.51	26.69	4.30	1.75
PS2 75/100 guarantee policy	31.74	27.45	25.69	29.49	26.67	4.29	1.76
PS2 100/100 guarantee policy	31.74	27.44	25.69	29.49	26.67	4.30	1.75
PS 75/75 guarantee policy	14.63	12.87	12.25	14.30	13.15	1.76	0.62
PS 75/100 guarantee policy	14.42	12.71	12.13	14.19	13.07	1.71	0.58
PPS 75/75 guarantee policy	15.07	13.19	12.50	14.53	13.30	1.88	0.69
PPS 75/100 guarantee policy	14.86	13.03	12.38	14.41	13.22	1.83	0.65
PPS 100/100 guarantee policy	14.49	12.76	12.17	14.22	13.10	1.73	0.59

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Mid Cap Canada Fund S-346G

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Mid Cap Canada Fund S-346G

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.25	3.23	3.24	3.22	3.22
Generations I	3.03	3.01	3.02	3.00	3.00
Generations II	3.45	3.43	3.43	3.42	3.43
Generations Core	2.81	2.78	2.79	2.78	2.78
75/75 guarantee policy	2.81	2.78	2.78	2.77	2.77
75/100 guarantee policy	3.03	3.01	3.00	2.99	2.99
100/100 guarantee policy	3.45	3.43	3.43	3.42	3.42
PS1 75/75 guarantee policy	2.34	2.32	2.32	2.31	2.32
PS1 75/100 guarantee policy	2.57	2.55	2.55	2.53	2.53
PS1 100/100 guarantee policy	2.96	2.93	2.94	2.93	2.93
PS 75/75 guarantee policy	1.69	1.68	1.67	1.67	1.67
PS 75/100 guarantee policy	1.91	1.90	1.89	1.89	1.89
PPS 75/75 guarantee policy	1.23	1.22	1.22	1.21	1.22
PPS 75/100 guarantee policy	1.45	1.44	1.43	1.43	1.43
PPS 100/100 guarantee policy	1.85	1.83	1.83	1.81	1.83

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	40.23	64.92	37.48	31.83	35.74

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY VALUE FUND S-347C

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Value Fund S-347C (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Value Fund S-347C

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 11	\$ 10
Investment income due and accrued	14	16
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	7,365	7,060
Investment fund units	—	—
Total investments	7,365	7,060
Total assets	\$ 7,390	\$ 7,086
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	10	3
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	10	3
Net assets attributable to contractholders	\$ 7,380	\$ 7,083

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,428	\$ 740
Miscellaneous income (loss)	4	1
Total income (loss)	1,432	741
Expenses		
Management fees (note 7)	178	175
Transaction costs	1	1
Withholding taxes	—	—
Other	21	20
Total expenses	200	196
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,232	\$ 545

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 7,083	\$ 9,754
Contractholder deposits	38	400
Contractholder withdrawals	(973)	(3,616)
Increase (decrease) in net assets from operations attributable to contractholders	1,232	545
Change in net assets attributable to contractholders	297	(2,671)
Net assets attributable to contractholders - end of year	\$ 7,380	\$ 7,083

Canadian Equity Value Fund S-347C

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,232	\$ 545
Adjustments		
Realized (gains) losses	(235)	(346)
Unrealized (gains) losses	(976)	(90)
Gross proceeds of disposition of investments	1,312	3,350
Gross payments for the purchase of investments	(406)	(291)
Change in investment income due and accrued	2	2
Change in due from/to The Canada Life Assurance Company	7	—
Change in due from/to brokers	—	(2)
Change in due from/to outside parties	—	—
	936	3,168
Financing Activities		
Contractholder deposits	38	400
Contractholder withdrawals	(973)	(3,616)
	(935)	(3,216)
Net increase (decrease) in cash, short-term deposits and overdrafts	1	(48)
Cash, short-term deposits and overdrafts, beginning of year	10	58
Cash, short-term deposits and overdrafts, end of year	\$ 11	\$ 10
Supplementary cash flow information		
Dividend income received	\$ 219	\$ 305

Canadian Equity Value Fund S-347C

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Cogeco Communications Inc. sub. voting	458	31	31
Rogers Communications Inc. Class B non-voting	1,279	72	57
TELUS Corp.	4,962	126	97
TELUS International Inc.	2,155	64	12
Consumer Discretionary			
BRP Inc.	652	50	48
Canadian Tire Corp. Ltd. Class A non-voting	615	104	93
Dollarama Inc.	946	51	133
Gildan Activewear Inc.	1,081	43	73
Linamar Corp.	1,411	95	80
Consumer Staples			
Alimentation Couche-Tard Inc.	2,135	85	170
Empire Co. Ltd. Class A non-voting	2,117	77	93
Loblaw Companies Ltd.	693	47	131
Saputo Inc.	1,968	60	49
Energy			
Canadian Natural Resources Ltd.	5,768	119	256
Cenovus Energy Inc.	2,795	38	61
Enbridge Inc.	2,281	105	139
South Bow Corp.	542	14	18
Suncor Energy Inc.	3,996	136	205
TC Energy Corp.	2,095	112	140
Tourmaline Oil Corp.	1,237	39	82
Exchange Traded Funds			
Mackenzie US Large Cap Index ETF *	1,580	234	384
Financials			
Bank of Montreal	1,689	197	236

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Equity Value Fund S-347C

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials (continued)			
Brookfield Asset Management Inc. Class A	661	24	52
Brookfield Corp.	2,662	112	220
Canadian Western Bank	2,099	69	123
Definity Financial Corp.	682	17	40
iA Financial Corp. Inc.	683	44	91
Intact Financial Corp.	566	85	148
Manulife Financial Corp.	4,103	100	181
Onex Corp. sub. voting	1,064	83	119
Royal Bank of Canada	3,192	354	554
Sun Life Financial Inc.	2,325	148	198
The Bank of Nova Scotia	2,512	183	194
The Toronto-Dominion Bank	4,299	320	329
Health Care			
DRI Healthcare Trust	5,221	52	62
Jamieson Wellness Inc.	1,327	46	49
Industrials			
AtkinsRealis Group Inc.	1,448	44	110
Bombardier Inc. Class B sub. voting	583	19	57
CAE Inc.	2,512	87	92
Canadian National Railway Co.	1,674	229	244
Canadian Pacific Kansas City Ltd.	2,455	202	256
Stantec Inc.	247	12	28
Transcontinental Inc. Class A sub. voting	2,319	47	43
WSP Global Inc.	349	44	88
Information Technology			
CGI Group Inc. Class A sub. voting	1,243	121	195
Open Text Corp.	1,245	66	51
Shopify Inc.	662	45	101
Materials			
Agnico Eagle Mines Ltd.	1,938	148	218

Canadian Equity Value Fund S-347C

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Materials (continued)			
Cascades Inc.	1,385	21	16
CCL Industries Inc. Class B non-voting	1,775	110	131
Franco-Nevada Corp.	240	41	41
Interfor Corp.	2,001	35	34
Kinross Gold Corp.	9,763	79	130
Nutrien Ltd.	1,432	93	92
Teck Resources Ltd. Class B	1,246	34	73
Real Estate			
Allied Properties REIT	3,110	101	53
Boardwalk REIT	1,521	57	98
CT REIT	2,286	37	33
Utilities			
Capital Power Corp.	997	37	64
Fortis Inc.	767	40	46
Northland Power Inc.	3,643	117	65
TransAlta Corp.	2,846	31	58
Total Canadian Common Stock		5,433	7,365
Total Stocks		5,433	7,365
Transaction Costs (note 2)		(3)	
Total Investments		5,430	7,365

Canadian Equity Value Fund S-347C

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Canadian Equity Value Fund S-347C (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Canadian Equity Value Fund S-347C

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 1	\$ 1	\$ —
Total	\$ —	\$ 1	\$ 1	\$ —
As Percent of Net Assets Attributable to Contractholders				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 2	\$ 2	\$ —
Total	\$ —	\$ 2	\$ 2	\$ —
As Percent of Net Assets Attributable to Contractholders				—%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$74 (\$71 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Canadian Equity Value Fund S-347C

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	7,365	\$ —	\$ —	\$ 7,365
Total assets measured at fair value	\$	7,365	\$ —	\$ —	\$ 7,365

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	7,060	\$ —	\$ —	\$ 7,060
Total assets measured at fair value	\$	7,060	\$ —	\$ —	\$ 7,060

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Canadian Equity Value Fund S-347C

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	114,922	130,595	139,736	145,909	141,419	3,090	2,968	2,952	3,209	2,512
Generations I	22,282	26,064	28,276	33,359	38,368	399	394	396	486	451
Generations II	3,931	3,935	5,251	5,430	9,031	63	53	66	71	96
Generations Core	10,678	10,685	11,556	12,393	12,031	185	156	156	174	136
75/75 guarantee policy	10,305	10,450	13,150	13,844	13,113	201	172	201	219	167
75/100 guarantee policy	65,774	79,437	94,683	114,642	141,095	1,258	1,282	1,418	1,784	1,771
100/100 guarantee policy	11,149	11,842	12,434	12,645	12,853	202	182	178	189	155
PS1 75/75 guarantee policy	12,631	15,847	13,650	13,236	13,997	292	307	244	244	207
PS1 75/100 guarantee policy	67,885	74,555	73,269	65,251	61,987	1,529	1,410	1,281	1,181	901
PS2 75/75 guarantee policy	1,490	2,443	2,494	2,546	2,599	46	62	57	58	47
PS2 75/100 guarantee policy	2,479	2,547	2,617	2,688	8,304	76	64	59	62	149
PS2 100/100 guarantee policy	1,255	1,303	1,353	1,404	1,457	39	33	31	32	26

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	26.89	22.73	21.13	21.99	17.76	4.16	1.60
Generations I	17.90	15.10	14.01	14.56	11.74	2.80	1.09
Generations II	15.94	13.50	12.57	13.11	10.61	2.44	0.93
Generations Core	17.31	14.58	13.51	14.01	11.28	2.73	1.07
75/75 guarantee policy	19.56	16.47	15.26	15.84	12.75	3.09	1.21
75/100 guarantee policy	19.13	16.14	14.98	15.57	12.55	2.99	1.16
100/100 guarantee policy	18.14	15.36	14.30	14.92	12.08	2.78	1.06
PS1 75/75 guarantee policy	23.12	19.39	17.88	18.46	14.79	3.73	1.51
PS1 75/100 guarantee policy	22.52	18.92	17.49	18.10	14.54	3.60	1.43
PS2 75/75 guarantee policy	30.73	25.19	22.72	22.95	17.98	5.54	2.47
PS2 75/100 guarantee policy	30.74	25.20	22.73	22.96	17.99	5.54	2.47
PS2 100/100 guarantee policy	30.74	25.20	22.73	22.96	17.99	5.54	2.47

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Equity Value Fund S-347C

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Equity Value Fund S-347C

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.05	3.02	3.02	3.02	3.02
Generations I	2.88	2.86	2.85	2.85	2.85
Generations II	3.25	3.22	3.22	3.24	3.21
Generations Core	2.71	2.69	2.69	2.68	2.68
75/75 guarantee policy	2.71	2.69	2.69	2.68	2.68
75/100 guarantee policy	2.88	2.86	2.86	2.86	2.85
100/100 guarantee policy	3.25	3.22	3.22	3.22	3.24
PS1 75/75 guarantee policy	2.25	2.23	2.22	2.22	2.22
PS1 75/100 guarantee policy	2.47	2.45	2.44	2.44	2.44

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.66	3.18	113.22	31.96	50.20

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN RESOURCE FUND S-348MF

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Resource Fund S-348MF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Resource Fund S-348MF

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 44	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	59	—
Due from brokers	—	91
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	116,050	122,526
Total investments	116,050	122,526
Total assets	\$ 116,153	\$ 122,617
Liabilities		
Overdrafts	\$ —	\$ 60
Due to The Canada Life Assurance Company (note 8)	—	5
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	65
Net assets attributable to contractholders	\$ 116,153	\$ 122,552

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 14,075	\$ 8,479
Miscellaneous income (loss)	—	—
Total income (loss)	14,075	8,479
Expenses		
Management fees (note 8)	2,892	3,364
Other	279	323
Total expenses	3,171	3,687
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 10,904	\$ 4,792

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 122,552	\$ 144,853
Contractholder deposits	8,672	10,321
Contractholder withdrawals	(25,975)	(37,414)
Increase (decrease) in net assets from operations attributable to contractholders	10,904	4,792
Change in net assets attributable to contractholders	(6,399)	(22,301)
Net assets attributable to contractholders - end of year	\$ 116,153	\$ 122,552

Canadian Resource Fund S-348MF

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 10,904	\$ 4,792
Adjustments		
Realized (gains) losses	(5,289)	(7,712)
Unrealized (gains) losses	35	7,357
Gross proceeds of disposition of investments	28,531	37,663
Gross payments for the purchase of investments	(7,980)	(7,074)
Distribution income of underlying mutual fund	(8,821)	(8,124)
Change in due from/to The Canada Life Assurance Company	(64)	143
Change in due from/to brokers	91	(407)
	<u>17,407</u>	<u>26,638</u>
Financing Activities		
Contractholder deposits	8,672	10,321
Contractholder withdrawals	(25,975)	(37,414)
	<u>(17,303)</u>	<u>(27,093)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	104	(455)
Cash, short-term deposits and overdrafts, beginning of year	(60)	395
Cash, short-term deposits and overdrafts, end of year	\$ 44	\$ (60)

Canadian Resource Fund S-348MF

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Resources Fund Series S *	3,992,370	96,205	116,050
Total Investments		96,205	116,050

Top 25 Holdings

Security Description	% of Total
Tourmaline Oil Corp.	4.18%
Cash and short-term deposits	3.97%
Shell PLC Class A ADR	3.88%
TotalEnergies SE ADR	3.49%
Advantage Energy Ltd.	2.95%
BP PLC ADR	2.77%
Endeavour Mining PLC	2.75%
Whitecap Resources Inc.	2.33%
The Williams Companies Inc.	2.17%
Interfor Corp.	2.01%
Glencore Xstrata PLC	1.98%
ARC Resources Ltd.	1.96%
Lundin Gold Inc.	1.91%
Buried Hill Energy Public Co. Ltd. Private Placement	1.80%
Heidelberg Materials AG	1.76%
First Quantum Minerals Ltd.	1.75%
Plains GP Holdings LP	1.73%
Methanex Corp.	1.70%
Canadian Natural Resources Ltd.	1.65%
Compagnie de Saint-Gobain	1.62%
Smurfit WestRock PLC	1.58%
Agnico Eagle Mines Ltd.	1.50%
Enerflex Ltd.	1.49%
Barrick Gold Corp.	1.41%
Alcoa Corp.	1.36%

*The issuer of this security is a related company to the issuer of the Fund.

Canadian Resource Fund S-348MF

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	688,321	796,375	918,074	947,136	925,445	19,271	20,303	22,734	20,253	13,658
Generations I	148,126	172,024	225,045	214,511	268,200	2,101	2,217	2,810	2,308	1,987
Generations II	177,887	233,197	371,160	447,067	633,780	1,914	2,288	3,544	3,692	3,618
Generations Core	158,493	209,837	237,299	322,720	415,048	1,890	2,269	2,481	2,901	2,564
75/75 guarantee policy	751,192	963,521	1,042,473	727,632	720,587	12,918	15,022	15,718	9,432	6,418
75/100 guarantee policy	1,182,056	1,465,257	1,634,130	1,104,060	856,644	19,630	22,109	23,898	13,912	7,433
100/100 guarantee policy	254,447	300,563	351,127	266,714	213,527	3,984	4,293	4,879	3,206	1,774
PS1 75/75 guarantee policy	663,517	692,119	665,800	364,515	197,294	10,620	9,996	9,257	4,338	1,606
PS1 75/100 guarantee policy	1,532,426	1,767,584	2,539,980	1,226,225	402,964	23,789	24,800	34,365	14,228	3,207
PS1 100/100 guarantee policy	242,453	335,882	478,558	313,651	71,037	3,539	4,449	6,136	3,464	541
PS2 75/75 guarantee policy	53,402	120,279	212,610	56,466	27,768	1,184	2,344	3,886	860	282
PS2 75/100 guarantee policy	95,752	109,856	157,811	91,817	35,545	2,126	2,144	2,888	1,401	361
PS2 100/100 guarantee policy	10,322	11,009	167,984	147,947	62,283	229	215	3,070	2,254	632
PS 75/75 guarantee policy	14,353	14,922	14,880	11,262	3,144	234	218	208	134	25
PS 75/100 guarantee policy	62,356	70,173	72,040	55,473	11,408	1,003	1,014	998	655	92
PPS 75/75 guarantee policy	50,601	15,526	23,650	12,312	1,135	851	233	338	149	9
PPS 75/100 guarantee policy	48,833	50,906	62,555	18,994	3,734	809	754	884	228	30
PPS 100/100 guarantee policy	19,068	7,761	7,827	—	—	302	110	106	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	28.00	25.49	24.76	21.38	14.76	2.51	0.73
Generations I	14.18	12.89	12.49	10.76	7.41	1.29	0.40
Generations II	10.76	9.81	9.55	8.26	5.71	0.95	0.26
Generations Core	11.93	10.81	10.46	8.99	6.18	1.12	0.35
75/75 guarantee policy	17.20	15.59	15.08	12.96	8.91	1.61	0.51
75/100 guarantee policy	16.61	15.09	14.62	12.60	8.68	1.52	0.47
100/100 guarantee policy	15.66	14.28	13.90	12.02	8.31	1.38	0.38
PS1 75/75 guarantee policy	16.01	14.44	13.90	11.90	8.14	1.57	0.54
PS1 75/100 guarantee policy	15.52	14.03	13.53	11.60	7.96	1.49	0.50
PS1 100/100 guarantee policy	14.60	13.25	12.82	11.04	7.61	1.35	0.43
PS2 75/75 guarantee policy	22.18	19.49	18.28	15.24	10.15	2.69	1.21
PS2 75/100 guarantee policy	22.20	19.51	18.30	15.26	10.16	2.69	1.21
PS2 100/100 guarantee policy	22.17	19.49	18.28	15.24	10.15	2.68	1.21
PS 75/75 guarantee policy	16.31	14.63	13.99	11.90	8.09	1.68	0.64
PS 75/100 guarantee policy	16.08	14.45	13.85	11.81	8.04	1.63	0.60
PPS 75/75 guarantee policy	16.82	15.01	14.30	12.10	8.19	1.81	0.71
PPS 75/100 guarantee policy	16.57	14.81	14.13	11.99	8.13	1.76	0.68
PPS 100/100 guarantee policy	15.81	14.19	13.59	—	—	1.62	0.60

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canadian Resource Fund S-348MF (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Resource Fund S-348MF

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canadian Resource Fund S-348MF

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.57	3.51	3.52	3.52	3.53
Generations I	3.35	3.29	3.30	3.31	3.31
Generations II	3.74	3.68	3.69	3.69	3.69
Generations Core	3.13	3.07	3.09	3.09	3.08
75/75 guarantee policy	3.13	3.07	3.09	3.08	3.08
75/100 guarantee policy	3.35	3.29	3.31	3.30	3.30
100/100 guarantee policy	3.74	3.68	3.70	3.68	3.69
PS1 75/75 guarantee policy	2.66	2.62	2.63	2.61	2.58
PS1 75/100 guarantee policy	2.82	2.78	2.84	2.91	2.85
PS1 100/100 guarantee policy	3.21	3.17	3.27	3.40	3.35
PS 75/75 guarantee policy	2.03	1.98	1.98	1.97	1.97
PS 75/100 guarantee policy	2.25	2.20	2.20	2.21	2.20
PPS 75/75 guarantee policy	1.55	1.53	1.52	1.53	1.48
PPS 75/100 guarantee policy	1.72	1.69	1.74	1.80	1.76
PPS 100/100 guarantee policy	2.10	2.07	2.17	—	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.66	2.62	2.63	2.61	2.62
PS1 75/100 guarantee policy	2.82	2.78	2.84	2.91	2.89
PS1 100/100 guarantee policy	3.21	3.17	3.27	3.40	3.39
PPS 75/75 guarantee policy	1.55	1.53	1.52	1.53	1.52
PPS 75/100 guarantee policy	1.72	1.69	1.74	1.80	1.80

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.88	5.20	22.86	110.65	15.75

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
REAL ESTATE FUND (GWLRA) SF353

December 31, 2024

Independent Auditor's Report

To the Contractholders of Real Estate Fund (GWLRA) SF353 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Real Estate Fund (GWLRA) SF353

(in Canadian \$ thousands)

Fund Manager: GWL Realty Advisors Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 62	\$ 136
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	132	666
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	515,209	550,192
Total investments	515,209	550,192
Total assets	\$ 515,403	\$ 550,994
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 515,403	\$ 550,994

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ (3,144)	\$ (17,267)
Miscellaneous income (loss)	—	—
Total income (loss)	(3,144)	(17,267)
Expenses		
Management fees (note 8)	6,715	8,725
Other	668	851
Total expenses	7,383	9,576
Net increase (decrease) in net assets from operations attributable to contractholders	\$ (10,527)	\$ (26,843)

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 550,994	\$ 626,450
Contractholder deposits	31,488	30,811
Contractholder withdrawals	(56,552)	(79,424)
Increase (decrease) in net assets from operations attributable to contractholders	(10,527)	(26,843)
Change in net assets attributable to contractholders	(35,591)	(75,456)
Net assets attributable to contractholders - end of year	\$ 515,403	\$ 550,994

Real Estate Fund (GWLRA) SF353

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ (10,527)	\$ (26,843)
Adjustments		
Realized (gains) losses	(15,905)	(25,414)
Unrealized (gains) losses	19,049	42,681
Gross proceeds of disposition of investments	48,658	73,279
Gross payments for the purchase of investments	(16,819)	(14,766)
Distribution income of underlying mutual fund	—	—
Change in due from/to The Canada Life Assurance Company	534	(458)
Change in due from/to brokers	—	—
	24,990	48,479
Financing Activities		
Contractholder deposits	31,488	30,811
Contractholder withdrawals	(56,552)	(79,424)
	(25,064)	(48,613)
Net increase (decrease) in cash, short-term deposits and overdrafts	(74)	(134)
Cash, short-term deposits and overdrafts, beginning of year	136	270
Cash, short-term deposits and overdrafts, end of year	\$ 62	\$ 136

Real Estate Fund (GWLRA) SF353

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canadian Real Estate Investment Fund No. 1 Category AC *	1,293,060	353,731	515,209
Total Investments		353,731	515,209

Top 25 Holdings

Security/Property Description	% of Total
Laird Business Park	6.27%
Livmore High Park	5.49%
High Park Village - West Tower	5.08%
Grenadier Square	4.55%
320 McRae Ave.	4.14%
Cash and short-term deposits	3.59%
Lillian Redpath Towers	3.56%
33 Yonge St.	3.23%
Bayview Village	3.13%
6301, 6315, 6325 106 Ave. SE	2.91%
50 Prince Arthur Ave.	2.81%
Erin Mills Portfolio	2.72%
5150 - 5160 Yonge St.	2.66%
200 Kent St.	2.65%
1 Adelaide St.	2.64%
Goreway Business Park	2.60%
Ridgeway Business Park	2.58%
5140 Yonge St.	2.55%
6 Silver Maple Court	2.49%
8350 Lawson Rd.	2.45%
The Diplomats	2.07%
2200 Trans-Canada Highway	2.05%
Superior Business Park	2.01%
4 King St. West	1.98%
Vancouver Centre Phase II	1.96%

*The issuer of this security is a related company to the issuer of the Fund.

Real Estate Fund (GWLRA) SF353

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units, as described in note 4 and seed money units, as described in note 8 c), are allocated to each category and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	862,565	1,125,790	1,385,077	1,546,649	2,071,310	18,195	24,721	32,418	34,905	43,316
Generations I	353,014	419,121	497,407	598,112	1,179,841	7,245	8,933	11,274	13,042	23,785
Generations II	108,929	125,384	152,128	177,546	284,729	1,695	2,036	2,638	2,975	4,430
Generations Core	214,647	305,662	401,108	449,100	585,400	3,683	5,441	7,586	8,163	9,827
75/75 guarantee policy	2,754,807	3,577,666	4,040,394	2,784,172	2,971,107	49,019	66,050	79,245	52,482	51,727
75/100 guarantee policy	2,503,384	3,153,096	3,519,747	2,801,976	3,371,534	43,555	56,974	67,632	51,796	57,620
100/100 guarantee policy	326,318	394,534	455,886	403,484	489,060	5,322	6,712	8,283	7,084	7,973
PS1 75/75 guarantee policy	2,133,944	2,353,441	2,982,993	1,965,104	1,860,944	33,058	37,653	50,471	31,810	27,697
PS1 75/100 guarantee policy	2,614,984	3,493,560	3,989,228	2,924,875	2,678,657	39,671	54,827	66,317	46,596	39,299
PS1 100/100 guarantee policy	242,002	210,191	307,662	278,119	286,291	3,498	3,155	4,911	4,271	4,064
PS2 75/75 guarantee policy	470,493	725,601	1,423,428	672,407	263,650	10,077	15,638	31,619	13,928	4,894
PS2 75/100 guarantee policy	398,132	577,479	744,195	600,595	603,578	8,530	12,451	16,537	12,445	11,208
PS2 100/100 guarantee policy	29,701	29,894	46,697	45,463	49,754	636	644	1,037	942	923
PS 75/75 guarantee policy	330,956	408,956	500,061	298,665	183,220	3,903	4,949	6,359	3,610	2,023
PS 75/100 guarantee policy	365,674	389,895	436,789	283,718	125,107	4,284	4,691	5,528	3,417	1,378
PS 100/100 guarantee policy	—	—	—	—	3,084	—	—	—	—	34
PPS 75/75 guarantee policy	847,542	893,990	918,396	509,675	206,670	10,292	11,088	11,915	6,257	2,308
PPS 75/100 guarantee policy	587,046	652,231	651,930	434,634	175,012	7,052	8,016	8,395	5,305	1,946
PPS 100/100 guarantee policy	—	—	—	—	33,684	—	—	—	—	371

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	21.09	21.96	23.40	22.57	20.91	(0.87)	(1.44)
Generations I	20.52	21.31	22.67	21.81	20.16	(0.79)	(1.36)
Generations II	15.56	16.23	17.34	16.75	15.56	(0.67)	(1.11)
Generations Core	17.16	17.80	18.91	18.18	16.79	(0.64)	(1.11)
75/75 guarantee policy	17.79	18.46	19.61	18.85	17.41	(0.67)	(1.15)
75/100 guarantee policy	17.40	18.07	19.22	18.49	17.09	(0.67)	(1.15)
100/100 guarantee policy	16.31	17.01	18.17	17.56	16.30	(0.70)	(1.16)
PS1 75/75 guarantee policy	15.49	16.00	16.92	16.19	14.88	(0.51)	(0.92)
PS1 75/100 guarantee policy	15.17	15.69	16.62	15.93	14.67	(0.52)	(0.93)
PS1 100/100 guarantee policy	14.46	15.01	15.96	15.36	14.20	(0.55)	(0.95)
PS2 75/75 guarantee policy	21.42	21.55	22.21	20.71	18.56	(0.13)	(0.66)
PS2 75/100 guarantee policy	21.43	21.56	22.22	20.72	18.57	(0.13)	(0.66)
PS2 100/100 guarantee policy	21.41	21.55	22.21	20.71	18.56	(0.14)	(0.66)
PS 75/75 guarantee policy	11.79	12.10	12.72	12.09	11.04	(0.31)	(0.62)
PS 75/100 guarantee policy	11.71	12.03	12.66	12.04	11.01	(0.32)	(0.63)
PS 100/100 guarantee policy	—	—	—	—	10.90	—	—
PPS 75/75 guarantee policy	12.14	12.40	12.97	12.28	11.17	(0.26)	(0.57)
PPS 75/100 guarantee policy	12.01	12.29	12.88	12.21	11.12	(0.28)	(0.59)
PPS 100/100 guarantee policy	—	—	—	—	11.01	—	—

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Real Estate Fund (GWLRA) SF353 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Due to/from outside parties mainly consists of net operating and commodity tax balances due to outside parties related to the ongoing operations of the Fund's Real Estate investments.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying segregated funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland
GWL Realty Advisors Inc.	Wholly-owned subsidiary of the Company	Canada

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) As at December 31, 2024, the Company held an investment in the Fund with a value of \$2,797 (\$2,896 at December 31, 2023).
- d) The Fund invests in assets or underlying funds managed by GWL Realty Advisors Inc. All investment transactions with the corresponding underlying funds are at quoted market prices.

Real Estate Fund (GWLRA) SF353

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Real Estate Fund (GWLRA) SF353

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.39	3.36	3.35	3.35	3.34
Generations I	3.16	3.13	3.12	3.14	3.11
Generations II	3.60	3.56	3.56	3.57	3.55
Generations Core	3.06	3.03	3.02	3.03	3.01
75/75 guarantee policy	3.06	3.03	3.01	3.02	3.01
75/100 guarantee policy	3.16	3.13	3.11	3.12	3.11
100/100 guarantee policy	3.60	3.56	3.55	3.56	3.55
PS1 75/75 guarantee policy	2.60	2.57	2.56	2.57	2.56
PS1 75/100 guarantee policy	2.76	2.74	2.72	2.73	2.72
PS1 100/100 guarantee policy	3.15	3.12	3.11	3.11	3.10
PS 75/75 guarantee policy	1.95	1.93	1.92	1.92	1.91
PS 75/100 guarantee policy	2.05	2.03	2.02	2.02	2.02
PS 100/100 guarantee policy	—	—	—	—	2.47
PPS 75/75 guarantee policy	1.49	1.48	1.47	1.47	1.47
PPS 75/100 guarantee policy	1.66	1.64	1.63	1.63	1.63
PPS 100/100 guarantee policy	—	—	—	—	2.01

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	3.19	2.47	4.73	16.75	5.84

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INCOME OPPORTUNITY FUND (LLIM) SF354

December 31, 2024

Independent Auditor's Report

To the Contractholders of Income Opportunity Fund (LLIM) SF354 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Income Opportunity Fund (LLIM) SF354

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 16,693	\$ 10,987
Investment income due and accrued	1,510	942
Due from The Canada Life Assurance Company (note 8)	1,615	228
Due from brokers	57	—
Due from outside parties	—	—
Investments		
Bonds	199,575	122,350
Stocks	107,051	57,619
Investment fund units	—	—
Derivatives (note 7)	308	405
Total investments	306,934	180,374
Total assets	\$ 326,809	\$ 192,531
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	837	905
Due to outside parties	—	—
Derivatives (note 7)	551	157
Total liabilities excluding net assets attributable to contractholders	1,388	1,062
Net assets attributable to contractholders	\$ 325,421	\$ 191,469

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 23,334	\$ 11,985
Miscellaneous income (loss)	300	75
Total income (loss)	23,634	12,060
Expenses		
Management fees (note 8)	4,418	2,490
Transaction costs	47	33
Withholding taxes	90	53
Other	477	277
Total expenses	5,032	2,853
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 18,602	\$ 9,207

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 191,469	\$ 94,000
Contractholder deposits	152,658	108,732
Contractholder withdrawals	(37,308)	(20,470)
Increase (decrease) in net assets from operations attributable to contractholders	18,602	9,207
Change in net assets attributable to contractholders	133,952	97,469
Net assets attributable to contractholders - end of year	\$ 325,421	\$ 191,469

Income Opportunity Fund (LLIM) SF354

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 18,602	\$ 9,207
Adjustments		
Add back amortization of premium (discount)	83	(140)
Realized (gains) losses	(2,631)	1,341
Unrealized (gains) losses	(11,774)	(8,179)
Gross proceeds of disposition of investments	157,968	86,553
Gross payments for the purchase of investments	(269,812)	(176,267)
Change in investment income due and accrued	(568)	(529)
Change in due from/to The Canada Life Assurance Company	(1,387)	(10)
Change in due from/to brokers	(125)	902
Change in due from/to outside parties	—	—
	(109,644)	(87,122)
Financing Activities		
Contractholder deposits	152,658	108,732
Contractholder withdrawals	(37,308)	(20,470)
	115,350	88,262
Net increase (decrease) in cash, short-term deposits and overdrafts	5,706	1,140
Cash, short-term deposits and overdrafts, beginning of year	10,987	9,847
Cash, short-term deposits and overdrafts, end of year	\$ 16,693	\$ 10,987
Supplementary cash flow information		
Interest income received	\$ 5,310	\$ 2,631
Dividend income received	2,315	1,334

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 3.10% 06-15-2028	816,000	813	818
Canada Housing Trust No. 1 Floating Rate 09-15-2026	7,950,000	7,942	7,942
Government of Canada 2.50% 12-01-2032	758,000	740	723
Government of Canada 2.75% 12-01-2055	14,288,000	12,586	12,697
Government of Canada 3.00% 06-01-2034	8,605,000	8,423	8,458
Government of Canada 3.25% 09-01-2028	424,000	417	429
Government of Canada 3.25% 12-01-2034	10,421,000	10,260	10,442
Government of Canada 3.50% 03-01-2034	767,000	764	785
Total Federal Government		41,945	42,294
Provincial Government			
Ontario Power Generation Inc. 1.17% 04-22-2026	150,000	138	146
Ontario Power Generation Inc. 2.893% 04-08-2025	380,000	368	379
Ontario Power Generation Inc. 2.977% 09-13-2029	320,000	292	311
Ontario Power Generation Inc. 4.831% 06-28-2034	120,000	120	126
Ontario Power Generation Inc. 4.922% 07-19-2032	20,000	20	21
Province of Alberta 2.95% 06-01-2052	2,409,000	1,852	1,923
Province of Alberta 3.05% 12-01-2048	89,000	82	73
Province of Alberta 3.10% 06-01-2050	652,000	588	538
Province of Alberta 4.15% 06-01-2033	369,000	366	382
Province of Alberta 4.45% 12-01-2054	563,000	598	586
Province of British Columbia 2.95% 06-18-2050	497,000	427	397
Province of British Columbia 4.45% 12-18-2055	424,000	440	440
Province of Manitoba 2.05% 09-05-2052	1,298,000	820	829
Province of Manitoba 3.20% 03-05-2050	504,000	461	418
Province of Manitoba 3.80% 09-05-2053	125,000	113	115
Province of Ontario 2.65% 12-02-2050	790,000	594	598
Province of Ontario 3.80% 12-02-2034	6,637,000	6,626	6,613
Province of Ontario 4.05% 02-02-2032	596,000	595	617
Province of Ontario 4.10% 03-04-2033	483,000	481	498
Province of Ontario 4.15% 06-02-2034	8,844,000	8,838	9,087
Province of Ontario 4.15% 12-02-2054	111,000	109	110
Province of Ontario 4.60% 12-02-2055	4,816,000	5,178	5,165

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Quebec 3.65% 05-20-2032	42,000	42	42
Province of Quebec 3.90% 11-22-2032	130,000	128	133
Province of Quebec 4.20% 12-01-2057	8,191,000	8,053	8,170
Province of Quebec 4.40% 12-01-2055	4,537,000	4,559	4,678
Province of Quebec 4.45% 09-01-2034	3,093,000	3,138	3,243
Province of Saskatchewan 2.15% 06-02-2031	67,000	67	62
Province of Saskatchewan 2.80% 12-02-2052	34,000	34	26
Province of Saskatchewan 3.10% 06-02-2050	1,790,000	1,486	1,477
Province of Saskatchewan 4.20% 12-02-2054	505,000	509	504
Total Provincial Government		47,122	47,707
Corporate - Non-convertible			
407 International Inc. 3.14% 03-06-2030	217,000	203	213
407 International Inc. 3.43% 06-01-2033	624,000	576	601
407 International Inc. 3.60% 05-21-2047	314,000	249	272
407 International Inc. 3.67% 03-08-2049	140,000	118	122
407 International Inc. 4.22% 02-14-2028	156,000	153	159
407 International Inc. 4.54% 10-09-2054	83,000	83	83
407 International Inc. 4.68% 10-07-2053	45,000	46	46
407 International Inc. 4.86% 07-31-2053	37,000	37	39
407 International Inc. 6.47% 07-27-2029	99,000	137	111
Aéroports de Montreal 3.03% 04-21-2050	13,000	10	10
Aéroports de Montreal 3.36% 04-24-2047	225,000	210	190
Aéroports de Montreal 3.918% 06-12-2045	11,000	10	10
Aéroports de Montreal 6.55% 10-11-2033	7,000	8	8
AIMCo Realty Investors LP 2.712% 06-01-2029	116,000	103	111
Alectra Inc. 1.751% 02-11-2031	106,000	93	95
Alectra Inc. 4.627% 06-13-2034	23,000	23	24
Algonquin Power & Utilities Corp. 4.09% 02-17-2027	563,000	552	569
Algonquin Power & Utilities Corp. 5.25% 01-18-2082	716,000	653	687
Algonquin Power Co. 2.85% 07-15-2031	380,000	320	380
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	141,000	141	152
AltaGas Ltd. 5.25% 01-11-2082	65,000	55	63

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
AltaGas Ltd. 8.90% 11-10-2083	57,000	57	63
AltaLink LP 3.99% 06-30-2042	151,000	155	141
AltaLink LP 4.742% 05-22-2054	51,000	51	53
AltaLink LP 5.463% 10-11-2055	52,000	52	60
ARC Resources Ltd. 3.465% 03-10-2031	9,000	9	9
ATCO Ltd. Floating Rate 11-01-2078	336,000	330	344
Athene Global Funding 3.127% 03-10-2025	18,000	18	18
Bank of Montreal 3.19% 03-01-2028	247,000	235	245
Bank of Montreal 3.65% 04-01-2027	260,000	253	261
Bank of Montreal 4.30% 11-26-2025	1,829,000	1,798	1,826
Bank of Montreal 4.309% 06-01-2027	699,000	689	711
Bank of Montreal 4.42% 07-17-2029	352,000	352	362
Bank of Montreal 4.537% 12-18-2028	148,000	148	153
Bank of Montreal 4.709% 12-07-2027	924,000	930	952
Bank of Montreal 4.976% 07-03-2034	169,000	169	175
Bank of Montreal 5.625% 05-26-2082	303,000	295	306
Bank of Montreal 6.034% 09-07-2033	476,000	473	508
Bank of Montreal 6.534% 10-27-2032	519,000	544	555
Bank of Montreal 7.325% 11-26-2082	654,000	658	692
Baytex Energy Corp. 8.50% 04-30-2030 144A	39,000	55	58
BCI QuadReal Realty 2.551% 06-24-2026	108,000	100	107
Bell Canada 2.20% 05-29-2028	105,000	93	100
Bell Canada 3.00% 03-17-2031	673,000	616	632
Bell Canada 4.45% 02-27-2047	100,000	86	90
Bell Canada 5.15% 02-09-2053	66,000	64	66
Bell Canada 5.15% 08-24-2034	79,000	79	82
Bell Canada 5.15% 11-14-2028	306,000	309	319
Bell Canada 5.25% 03-15-2029	136,000	136	143
BMW Canada Inc. 3.99% 10-10-2028	59,000	59	60
British Columbia Investment Management Corp. 4.90% 06-02-2033	523,000	547	566
Brookfield Infrastructure Finance ULC 2.855% 09-01-2032	19,000	18	17
Brookfield Infrastructure Finance ULC 4.193% 09-11-2028	356,000	345	361
Brookfield Infrastructure Finance ULC 5.616% 11-14-2027	265,000	269	279
Brookfield Renewable Energy Partners LP 3.63% 01-15-2027	1,320,000	1,266	1,324

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Brookfield Renewable Partners ULC 4.25% 01-15-2029	101,000	115	103
Brookfield Renewable Partners ULC 4.959% 10-20-2034	98,000	98	101
Brookfield Renewable Partners ULC 5.292% 10-28-2033	46,000	48	49
Bruce Power LP 4.00% 06-21-2030	252,000	242	253
Bruce Power LP 4.27% 12-21-2034	73,000	73	72
Bruce Power LP 4.99% 12-21-2032	18,000	18	19
Calgary Airport Authority 3.554% 10-07-2051	14,000	12	12
Calgary Airport Authority 3.554% 10-07-2053	15,000	12	13
Cameco Corp. 4.94% 05-24-2031	106,000	106	110
Canadian Core Real Estate 3.299% 03-02-2027	38,000	36	38
Canadian Core Real Estate LP 4.482% 10-16-2029	95,000	95	96
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	143,000	143	140
Canadian Imperial Bank of Commerce 1.96% 04-21-2031	215,000	199	211
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	82,000	82	82
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	100,000	96	101
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	875,000	854	874
Canadian Imperial Bank of Commerce 4.90% 06-12-2034	171,000	171	176
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	1,109,000	1,128	1,146
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	201,000	201	207
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	106,000	106	110
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	118,000	118	123
Canadian Imperial Bank of Commerce 5.33% 01-20-2033	125,000	124	130
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	59,000	59	62
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	110,000	110	115
Canadian National Railway Co. 4.40% 05-10-2033	65,000	65	67
Canadian Natural Resources Ltd. 4.15% 12-15-2031	108,000	108	108
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	803,000	744	781
Canadian Pacific Railway Ltd. 3.15% 03-13-2029	129,000	117	127
Canadian Utilities Ltd. 4.851% 06-03-2052	41,000	39	42
Canadian Western Bank 1.926% 04-16-2026	149,000	137	146
Canadian Western Bank 4.571% 07-11-2028	43,000	43	44
Canadian Western Bank 5.00% 07-31-2081	34,000	27	34
Canadian Western Bank 5.146% 09-02-2027	364,000	364	379
Canadian Western Bank 5.261% 12-20-2025	50,000	50	51

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Canadian Western Bank 5.937% 12-22-2032	21,000	21	22
Canadian Western Bank 5.949% 01-29-2034	68,000	68	72
Capital Power Corp. 4.831% 09-16-2031	64,000	64	65
Capital Power Corp. 4.986% 01-23-2026	144,000	143	146
Cascades Inc./Cascades USA Inc. 5.125% 01-15-2025	9,000	9	9
CCL Industries Inc. 3.864% 04-13-2028	48,000	45	48
CDP Financial Inc. 1.50% 10-19-2026	182,000	173	177
CDP Financial Inc. 4.20% 12-02-2030	319,000	322	333
Cenovus Energy Inc. 3.50% 02-07-2028	734,000	704	730
Central 1 Credit Union 5.877% 11-10-2026	66,000	66	68
CES Energy Solutions Corp. 6.875% 05-24-2029	62,000	62	63
CGI Inc. 3.987% 09-07-2027	135,000	135	136
CGI Inc. 4.147% 09-05-2029	96,000	96	97
Choice Properties REIT 2.456% 11-30-2026	51,000	46	50
Choice Properties REIT 2.848% 05-21-2027	121,000	115	119
Choice Properties REIT 3.532% 06-11-2029	610,000	567	601
Choice Properties REIT 5.40% 03-01-2033	306,000	305	324
Coast Capital Savings Federal Credit Union 8.875% 05-02-2033	122,000	122	129
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	86,000	86	90
Coastal Gaslink Pipeline LP 4.907% 06-30-2031	125,000	125	132
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	103,000	103	111
Coastal Gaslink Pipeline LP 5.538% 06-30-2039	115,000	124	127
Cogeco Communications Inc. 2.991% 09-22-2031	188,000	163	174
Cogeco Communications Inc. 5.299% 02-16-2033	23,000	23	24
Cogeco Communications Inc. 6.125% 02-27-2029	120,000	121	124
Comber Wind Financial Corp. 5.132% 11-15-2030	33,166	33	34
Corus Entertainment Inc. 5.00% 05-11-2028	31,000	24	15
CPPIB Capital Inc. 2.25% 12-01-2031	664,000	606	614
CPPIB Capital Inc. 3.00% 06-15-2028	150,000	153	150
CPPIB Capital Inc. 3.95% 06-02-2032	82,000	82	84
Crombie REIT 2.686% 03-31-2028	197,000	178	190
Crombie REIT 3.133% 08-12-2031	75,000	69	69
Crombie REIT 3.211% 10-09-2030	47,000	39	44
Crombie REIT 3.917% 06-21-2027	12,000	11	12

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Crombie REIT 4.732% 01-15-2032	70,000	70	71
CU Inc. 4.085% 09-02-2044	12,000	11	11
CU Inc. 4.773% 09-14-2052	52,000	51	54
CU Inc. 5.088% 09-20-2053	92,000	92	100
CU Inc. 5.556% 10-30-2037	195,000	229	215
Dollarama Inc. 5.533% 09-26-2028	100,000	100	107
Dream Industrial REIT 2.057% 06-17-2027	145,000	129	139
Dream Industrial REIT 2.539% 12-07-2026	55,000	50	54
Dream Industrial REIT 5.383% 03-22-2028	277,000	284	289
Dream Summit Industrial LP 4.507% 02-12-2031	64,000	64	64
Enbridge Gas Inc. 2.35% 09-15-2031	16,000	14	15
Enbridge Gas Inc. 2.37% 08-09-2029	11,000	9	10
Enbridge Gas Inc. 4.55% 08-17-2052	237,000	225	234
Enbridge Gas Inc. 5.70% 10-06-2033	537,000	581	599
Enbridge Inc. 3.10% 09-21-2033	123,000	104	113
Enbridge Inc. 4.73% 08-22-2034	350,000	352	358
Enbridge Inc. 4.90% 05-26-2028	155,000	155	161
Enbridge Inc. 5.375% 09-27-2077	2,684,000	2,583	2,712
Enbridge Inc. 6.10% 11-09-2032	123,000	131	138
Enbridge Inc. 6.625% 04-12-2078	592,000	609	622
Enbridge Inc. 8.495% 01-15-2084	31,000	32	34
Enbridge Pipelines Inc. 4.20% 05-12-2051	167,000	143	146
Enbridge Pipelines Inc. 4.33% 02-22-2049	123,000	108	111
Enbridge Pipelines Inc. 4.55% 09-29-2045	21,000	19	20
Enbridge Pipelines Inc. 5.33% 04-06-2040	160,000	180	165
Enbridge Pipelines Inc. 5.82% 08-17-2053	18,000	19	20
Energir Inc. 2.10% 04-16-2027	113,000	107	110
Energir LP 4.67% 09-27-2032	97,000	96	101
ENMAX Corp. 4.695% 10-09-2034	86,000	86	87
EPCOR Utilities Inc. 3.106% 07-08-2049	158,000	119	124
EPCOR Utilities Inc. 3.554% 11-27-2047	260,000	210	223
EPCOR Utilities Inc. 4.725% 09-02-2052	40,000	39	41
EPCOR Utilities Inc. 4.99% 05-31-2054	147,000	147	157
EPCOR Utilities Inc. 5.326% 10-03-2053	200,000	207	224

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Equitable Bank 1.876% 11-26-2025	3,000	3	3
Equitable Bank 3.362% 03-02-2026	126,000	118	125
Equitable Bank 3.91% 12-17-2027	226,000	226	226
Equitable Bank 3.99% 03-24-2028	111,000	111	111
Equitable Bank 5.16% 01-11-2027	150,000	150	154
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	498,000	474	494
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	287,000	277	291
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	140,000	140	140
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	138,000	136	141
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	284,000	279	293
Federation des Caisses Desjardins du Quebec 5.20% 10-01-2025	253,000	254	256
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	156,000	156	163
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	454,000	469	482
First Capital REIT 3.447% 03-01-2028	20,000	18	20
First Capital REIT 4.513% 06-03-2030	87,000	87	88
First Capital REIT 5.455% 06-12-2032	62,000	62	65
First Capital REIT 5.57% 03-01-2031	509,000	520	539
First West Credit Union 9.186% 08-09-2033	65,000	65	73
Ford Credit Canada Co. 2.961% 09-16-2026	42,000	37	41
Ford Credit Canada Co. 4.792% 09-12-2029	102,000	102	103
Ford Credit Canada Co. 5.242% 05-23-2028	115,000	115	118
Ford Credit Canada Co. 5.581% 02-22-2027	77,000	77	79
Ford Credit Canada Co. 6.326% 11-10-2026	78,000	78	81
Ford Credit Canada Co. 7.00% 02-10-2026	461,000	471	476
Ford Credit Canada Co. 7.375% 05-12-2026	97,000	97	101
Fortis Inc. 4.171% 09-09-2031	209,000	209	210
Fortis Inc. 4.431% 05-31-2029	223,000	220	229
Fortis Inc. 5.677% 11-08-2033	117,000	117	128
FortisBC Energy Inc. 4.67% 11-28-2052	41,000	41	42
G. Cooper Equipment Rentals Ltd. 7.45% 07-04-2029	261,000	261	268
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	94,000	94	97
General Motors Financial of Canada Ltd. 5.10% 07-14-2028	100,000	100	104
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	36,000	36	37
George Weston Ltd. 4.193% 09-05-2029	113,000	113	114

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
GFL Environmental Inc. 3.50% 09-01-2028 144A	179,000	213	243
GFL Environmental Inc. 3.75% 08-01-2025 144A	70,000	91	100
GFL Environmental Inc. 6.75% 01-15-2031 144A	67,000	91	99
Gibson Energy Inc. 4.45% 11-12-2031	72,000	72	73
Gibson Energy Inc. 5.25% 12-22-2030	110,000	102	107
Gibson Energy Inc. 5.75% 07-12-2033	87,000	87	94
Gibson Energy Inc. 8.70% 07-12-2083	63,000	66	69
Granite REIT Holdings LP 2.194% 08-30-2028	278,000	246	262
Granite REIT Holdings LP 3.062% 06-04-2027	34,000	32	34
Granite REIT Holdings LP 3.999% 10-04-2029	103,000	103	103
Greater Toronto Airports Authority 1.54% 05-03-2028	362,000	325	342
Greater Toronto Airports Authority 2.75% 10-17-2039	510,000	382	420
Greater Toronto Airports Authority 5.30% 02-25-2041	175,000	200	192
Greater Toronto Airports Authority 6.47% 02-02-2034	277,000	354	324
Greater Toronto Airports Authority 7.05% 06-12-2030	242,000	271	278
Greater Toronto Airports Authority 7.10% 06-04-2031	42,000	49	49
H&R REIT 4.071% 06-16-2025	316,000	316	316
Hydro One Inc. 2.23% 09-17-2031	129,000	110	118
Hydro One Inc. 4.16% 01-27-2033	228,000	220	232
Hydro One Inc. 4.39% 03-01-2034	605,000	611	622
Hydro One Inc. 4.85% 11-30-2054	462,000	471	487
Hydro One Inc. 4.89% 03-13-2037	158,000	157	165
Hydro One Inc. 4.91% 01-27-2028	470,000	479	491
Hydro One Inc. 6.93% 06-01-2032	56,000	65	66
Hydro One Inc. 7.35% 06-03-2030	253,000	290	295
Hyundai Capital Canada Inc. 4.895% 01-31-2029	142,000	142	147
iA Financial Corp. Inc. 4.131% 12-05-2034	93,000	93	93
iA Financial Corp. Inc. 5.685% 06-20-2033	50,000	50	53
Intact Financial Corp. 4.125% 03-31-2081	7,000	7	7
Intact Financial Corp. 4.653% 05-16-2034	446,000	457	461
Intact Financial Corp. 5.276% 09-14-2054	152,000	164	168
Intact Financial Corp. 5.459% 09-22-2032	16,000	21	23
Inter Pipeline Ltd. 3.484% 12-16-2026	392,000	375	391
Inter Pipeline Ltd. 3.983% 11-25-2031	200,000	176	192

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Inter Pipeline Ltd. 5.71% 05-29-2030	33,000	33	35
Inter Pipeline Ltd. 6.625% 11-19-2079	14,000	14	14
Inter Pipeline Ltd. 6.875% 03-26-2079	33,000	32	34
John Deere Financial Inc. 5.17% 09-15-2028	8,000	8	8
Keyera Corp. 3.959% 05-29-2030	115,000	110	115
Keyera Corp. 5.95% 03-10-2081	823,000	816	833
Keyera Corp. 6.875% 06-13-2029	42,000	40	44
Liberty Utilities (Canada) LP 3.315% 02-14-2050	18,000	12	14
Loblaw Companies Ltd. 2.284% 05-07-2030	27,000	22	25
Loblaw Companies Ltd. 5.115% 03-04-2054	149,000	149	154
Loblaw Companies Ltd. 5.336% 09-13-2052	26,000	26	28
Lower Mattagami Energy LP 2.433% 05-14-2031	185,000	166	171
Lower Mattagami Energy LP 4.691% 06-07-2054	75,000	75	77
Lower Mattagami Energy LP 4.854% 10-31-2033	17,000	17	18
Manulife Bank of Canada 2.864% 02-16-2027	343,000	325	340
Manulife Financial Corp. 4.064% 12-06-2034	202,000	202	203
Manulife Financial Corp. 5.054% 02-23-2034	425,000	436	444
Manulife Financial Corp. 5.409% 03-10-2033	298,000	304	313
Manulife Financial Corp. 7.117% 06-19-2082	177,000	173	184
MEG Energy Corp. 5.875% 02-01-2029 144A	39,000	51	55
Metro Inc. 4.657% 02-07-2033	26,000	26	27
National Bank of Canada 1.534% 06-15-2026	83,000	76	81
National Bank of Canada 1.573% 08-18-2026	270,000	256	267
National Bank of Canada 4.05% 08-15-2081	222,000	178	214
National Bank of Canada 4.30% 11-15-2025	155,000	155	155
National Bank of Canada 5.023% 02-01-2029	678,000	701	712
National Bank of Canada 5.219% 06-14-2028	154,000	154	162
National Bank of Canada 5.279% 02-15-2034	72,000	72	75
National Bank of Canada 5.296% 11-03-2025	530,000	535	538
National Bank of Canada 5.426% 08-16-2032	214,000	212	222
NAV CANADA 2.063% 05-29-2030	30,000	30	28
North West Redwater Partnership 2.80% 06-01-2027	788,000	744	776
North West Redwater Partnership 3.20% 04-24-2026	200,000	200	200
North West Redwater Partnership 3.65% 06-01-2035	143,000	124	135

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
North West Redwater Partnership 3.70% 02-23-2043	43,000	36	38
North West Redwater Partnership 4.15% 06-01-2033	257,000	232	257
North West Redwater Partnership 4.25% 06-01-2029	47,000	47	48
North West Redwater Partnership/NWR Financing Co. Ltd. 2.80% 06-01-2031	696,000	609	654
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	101,000	101	106
Nouvelle Autoroute 30 Financement Inc. 4.114% 03-31-2042	48,685	39	45
OMERS Finance Trust 1.55% 04-21-2027	310,000	279	299
OMERS Finance Trust 2.60% 05-14-2029	230,000	217	223
Ontario Teachers' Finance Trust 1.10% 10-19-2027	50,000	45	47
Ontario Teachers' Finance Trust 4.30% 06-02-2034	838,000	855	863
Ontario Teachers' Finance Trust 4.45% 06-02-2032	220,000	220	231
OPB Finance Trust 2.98% 01-25-2027	98,000	94	98
Parkland Corp. of Canada 3.875% 06-16-2026	794,000	760	786
Parkland Corp. of Canada 4.375% 03-26-2029	51,000	45	49
Parkland Corp. of Canada 6.00% 06-23-2028	277,000	271	279
Pembina Pipeline Corp. 4.02% 03-27-2028	690,000	662	697
Pembina Pipeline Corp. 4.74% 01-21-2047	61,000	55	57
Pembina Pipeline Corp. 4.80% 01-25-2031	370,000	327	355
Pembina Pipeline Corp. 4.81% 03-25-2044	331,000	308	316
Pembina Pipeline Corp. 5.22% 06-28-2033	138,000	138	146
Pembina Pipeline Corp. 5.67% 01-12-2054	91,000	91	98
Prologis Inc. 4.70% 03-01-2029	134,000	134	138
Prologis LP 5.25% 01-15-2031	36,000	35	38
PSP Capital Inc. 0.90% 06-15-2026	2,295,000	2,201	2,227
PSP Capital Inc. 2.60% 03-01-2032	270,000	254	254
PSP Capital Inc. 4.15% 06-01-2033	9,000	9	9
PSP Capital Inc. 4.25% 12-01-2055	725,000	719	730
Reliance LP 2.67% 08-01-2028	295,000	260	282
Reliance LP 2.68% 12-01-2027	31,000	31	30
Reliance LP 5.25% 05-15-2031	176,000	177	184
RioCan REIT 2.829% 11-08-2028	317,000	275	303
Rogers Communications Inc. 2.90% 12-09-2030	262,000	222	246
Rogers Communications Inc. 3.10% 04-15-2025	960,000	932	959
Rogers Communications Inc. 3.75% 04-15-2029	272,000	256	271

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Rogers Communications Inc. 5.00% 12-17-2081	3,768,000	3,619	3,776
Rogers Communications Inc. 5.25% 03-15-2082 144A	199,000	255	278
Rogers Communications Inc. 5.70% 09-21-2028	495,000	514	526
Rogers Communications Inc. 5.90% 09-21-2033	76,000	83	83
Rogers Communications Inc. 6.75% 11-09-2039	115,000	132	134
Royal Bank of Canada 2.94% 05-03-2032	145,000	137	143
Royal Bank of Canada 4.00% 10-17-2030	491,000	491	496
Royal Bank of Canada 4.464% 10-17-2035	164,000	164	167
Royal Bank of Canada 4.50% 11-24-2080	1,236,000	1,211	1,236
Royal Bank of Canada 4.612% 07-26-2027	165,000	164	170
Royal Bank of Canada 4.632% 05-01-2028	81,000	81	84
Royal Bank of Canada 4.642% 01-17-2028	153,000	152	158
Royal Bank of Canada 5.096% 04-03-2034	152,000	152	158
Royal Bank of Canada 5.235% 11-02-2026	77,000	77	79
Royal Bank of Canada Floating Rate 08-08-2034	339,000	339	349
Sagen MI Canada Inc. 3.261% 03-05-2031	9,000	9	8
Sagen MI Canada Inc. 4.95% 03-24-2081	125,000	105	116
Saputo Inc. 5.492% 11-20-2030	111,000	111	119
Sea To Sky Highway Investment LP 2.629% 08-31-2030	42,461	38	40
Sienna Senior Living Inc. 2.82% 03-31-2027	8,000	8	8
Sienna Senior Living Inc. 3.45% 02-27-2026	24,000	22	24
Sienna Senior Living Inc. 4.436% 10-17-2029	35,000	35	35
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	52,000	52	53
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	85,000	85	86
South Coast British Columbia Transportation Authority 1.60% 07-03-2030	53,000	45	48
Spy Hill Power LP 4.14% 03-31-2036	32,266	30	31
Stella-Jones Inc. 4.312% 10-01-2031	87,000	87	87
Sun Life Financial Inc. 2.06% 10-01-2035	498,000	428	450
Sun Life Financial Inc. 2.58% 05-10-2032	241,000	239	236
Sun Life Financial Inc. 2.80% 11-21-2033	158,000	142	153
Sun Life Financial Inc. 4.78% 08-10-2034	632,000	635	656
Sun Life Financial Inc. 5.12% 05-15-2036	194,000	194	205
Sun Life Financial Inc. 5.50% 07-04-2035	39,000	39	42
Suncor Energy Inc. 3.95% 03-04-2051	156,000	126	135

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Superior Plus LP 4.25% 05-18-2028	239,000	226	227
TELUS Corp. 2.85% 11-13-2031	60,000	50	55
TELUS Corp. 3.15% 02-19-2030	326,000	297	314
TELUS Corp. 4.65% 08-13-2031	112,000	112	115
TELUS Corp. 4.80% 12-15-2028	37,000	37	38
TELUS Corp. 4.95% 02-18-2031	72,000	72	75
TELUS Corp. 4.95% 03-28-2033	37,000	37	38
Teranet Holdings LP 3.719% 02-23-2029	254,000	237	247
The 55 School Board Trust 5.90% 06-02-2033	55,000	63	62
The Bank of Nova Scotia 3.836% 09-26-2030	224,000	223	224
The Bank of Nova Scotia 3.934% 05-03-2032	149,000	142	149
The Bank of Nova Scotia 4.442% 11-15-2035	82,000	82	83
The Bank of Nova Scotia 4.68% 02-01-2029	96,000	96	100
The Bank of Nova Scotia 4.95% 08-01-2034	140,000	140	145
The Bank of Nova Scotia 5.50% 12-29-2025	400,000	402	408
The Bank of Nova Scotia 5.679% 08-02-2033	58,000	58	61
The Bank of Nova Scotia 7.023% 07-27-2082	273,000	269	285
The Empire Life Insurance Co. 3.625% 04-17-2026	72,000	60	65
The Empire Life Insurance Co. 5.503% 01-13-2033	26,000	26	27
The Independent Order of Foresters 2.885% 10-15-2035	22,000	22	20
The Toronto-Dominion Bank 2.667% 09-09-2025	128,000	125	127
The Toronto-Dominion Bank 3.06% 01-26-2032	98,000	88	97
The Toronto-Dominion Bank 3.105% 04-22-2030	693,000	670	692
The Toronto-Dominion Bank 4.002% 10-31-2030	707,000	708	713
The Toronto-Dominion Bank 4.21% 06-01-2027	768,000	754	780
The Toronto-Dominion Bank 4.344% 01-27-2026	368,000	363	371
The Toronto-Dominion Bank 4.423% 10-31-2035	260,000	260	263
The Toronto-Dominion Bank 4.477% 01-18-2028	317,000	317	325
The Toronto-Dominion Bank 4.68% 01-08-2029	95,000	95	98
The Toronto-Dominion Bank 5.376% 10-21-2027	204,000	207	214
The Toronto-Dominion Bank 5.491% 09-08-2028	159,000	159	169
The Toronto-Dominion Bank 7.283% 10-31-2082	73,000	74	77
TMX Group Ltd. 2.016% 02-12-2031	14,000	14	13
TMX Group Ltd. 3.779% 06-05-2028	18,000	17	18

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
TMX Group Ltd. 4.678% 08-16-2029	68,000	68	71
Toronto Hydro Corp. 4.61% 06-14-2033	104,000	104	109
Toronto Hydro Corp. 4.95% 10-13-2052	183,000	185	196
Tourmaline Oil Corp. 2.529% 02-12-2029	102,000	91	97
Toyota Credit Canada Inc. 3.73% 10-02-2029	131,000	131	131
Toyota Credit Canada Inc. 4.44% 06-27-2029	86,000	86	89
TransCanada PipeLines Ltd. 3.80% 04-05-2027	422,000	421	424
TransCanada PipeLines Ltd. 4.33% 09-16-2047	54,000	45	49
TransCanada PipeLines Ltd. 5.277% 07-15-2030	863,000	896	917
TransCanada PipeLines Ltd. 5.33% 05-12-2032	143,000	151	153
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	2,845,000	2,675	2,826
TransCanada Trust 4.20% 03-04-2081	290,000	233	273
TransCanada Trust 5.30% 03-15-2077	17,000	20	24
Transcontinental Inc. 2.667% 02-03-2025	9,000	8	9
Union Gas Ltd. 4.20% 06-02-2044	30,000	28	28
Vancouver Airport Authority 1.76% 09-20-2030	122,000	107	110
Ventas Canada Finance Ltd. 5.10% 03-05-2029	131,000	132	136
Ventas Canada Finance Ltd. 5.398% 04-21-2028	106,000	107	111
Veren Inc. 4.968% 06-21-2029	122,000	122	126
Vermilion Energy Inc. 6.875% 05-01-2030 144A	14,000	18	20
Videotron Ltd. 3.125% 01-15-2031	1,236,000	1,044	1,163
Videotron Ltd. 3.625% 06-15-2028	786,000	728	781
Videotron Ltd. 4.50% 01-15-2030	432,000	401	438
Videotron Ltd. 4.65% 07-15-2029	134,000	134	137
VW Credit Canada Inc. 4.21% 08-19-2027	180,000	181	181
VW Credit Canada Inc. 4.42% 08-20-2029	145,000	146	146
VW Credit Canada Inc. 5.73% 09-20-2028	135,000	144	143
Waste Management of Canada Corp. 2.60% 09-23-2026	70,000	70	69
Whitecap Resources Inc. 4.382% 11-01-2029	106,000	106	107
WSP Global Inc. 2.408% 04-19-2028	90,000	83	87

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
WSP Global Inc. 4.12% 09-12-2029	99,000	99	100
Total Corporate - Non-convertible		88,614	91,904
Total Canadian Bonds		177,681	181,905
United States Bonds			
Federal Government			
United States Treasury Inflation Index 0.125% 04-15-2025 Real Return	1,755,000	2,834	3,066
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	4,029,000	5,711	5,520
Total Federal Government		8,545	8,586
Corporate - Non-convertible			
Algonquin Power & Utilities Corp. 4.75% 01-18-2082	248,000	311	335
American Tower Corp. REIT 1.875% 10-15-2030	70,000	75	84
AT&T Inc. 4.85% 05-25-2047	94,000	83	91
Athene Global Funding 2.47% 06-09-2028	8,000	7	8
Athene Global Funding 5.113% 03-07-2029	93,000	93	97
Bank of America Corp. 1.978% 09-15-2027	288,000	265	281
Bank of America Corp. 3.615% 03-16-2028	881,000	841	881
Broadcom Inc. 4.11% 09-15-2028	89,000	114	125
CCO Holdings LLC 4.50% 05-01-2032	102,000	109	126
Glencore Funding LLC 5.338% 04-04-2027 144A	28,000	38	41
Glencore Funding LLC 5.70% 05-08-2033 144A	64,000	88	93
JPMorgan Chase & Co. 1.896% 03-05-2028	580,000	528	561
Mozart Debt Merger Sub Inc. 3.875% 04-01-2029 144A	60,000	70	80
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	90,000	105	125
Nestle Holdings Inc. 2.192% 01-26-2029	303,000	279	289
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	16,000	19	21
NextEra Energy Capital Holdings Inc. 4.85% 04-30-2031	827,000	845	862
Pearl Merger Sub Inc. 6.75% 10-01-2028 144A	50,000	59	66
Tenet Healthcare Corp. 4.375% 01-15-2030 144A	13,000	15	17
The Goldman Sachs Group Inc. 2.013% 02-28-2028	73,000	61	69

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
The Goldman Sachs Group Inc. 2.599% 11-30-2027	449,000	423	441
The JM Smucker Co. 2.375% 03-15-2030	30,000	35	38
The Walt Disney Co. 3.057% 03-30-2027	171,000	181	170
T-Mobile USA Inc. 2.55% 02-15-2031	50,000	56	62
T-Mobile USA Inc. 3.75% 04-15-2027	189,000	238	266
T-Mobile USA Inc. 5.15% 04-15-2034	29,000	39	41
T-Mobile USA Inc. 5.20% 01-15-2033	111,000	147	158
Verizon Communications Inc. 2.375% 03-22-2028	473,000	435	456
Wells Fargo & Co. 2.568% 05-01-2025	229,000	213	228
Zoetis Inc. 2.00% 05-15-2030	111,000	122	137
Total Corporate - Non-convertible		5,894	6,249
Total United States Bonds		14,439	14,835
Global Bonds			
Australia			
Transurban Finance Co. Pty Ltd. 4.555% 11-14-2028	186,000	182	188
Bahamas			
Commonwealth of Bahamas 8.95% 10-15-2032	98,000	118	146
France			
Electricite de France SA 5.379% 05-17-2034	278,000	278	291
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	69,000	64	67
Heathrow Funding Ltd. 3.25% 05-21-2025	190,000	182	190
Heathrow Funding Ltd. 3.40% 03-08-2028	340,000	315	338
Heathrow Funding Ltd. 3.726% 04-13-2033	189,000	171	180
Heathrow Funding Ltd. 3.782% 09-04-2030	993,000	941	978
Liberia			
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	92,000	127	132

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Netherlands			
NXP BV/NXP Funding LLC/NXP USA Inc. 2.65% 02-15-2032	8,000	10	10
United Kingdom			
Anglian Water Services Financing PLC 4.525% 08-26-2032	15,000	15	15
BP Capital Markets PLC 3.47% 05-15-2025	300,000	295	300
Total Global Bonds		2,698	2,835
Total Bonds		194,818	199,575
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	10,776	586	476
TELUS Corp.	52,071	1,247	1,015
TELUS International Inc.	28,996	421	164
Consumer Discretionary			
BRP Inc.	4,019	323	294
Dollarama Inc.	4,422	466	620
Magna International Inc.	8,126	561	488
Restaurant Brands International Inc.	10,518	969	985
Consumer Staples			
Alimentation Couche-Tard Inc.	12,410	848	989
Loblaw Companies Ltd.	6,775	914	1,282
Energy			
AltaGas Ltd.	8,463	251	283
ARC Resources Ltd.	21,152	490	551
Canadian Natural Resources Ltd.	48,763	2,015	2,165
Cenovus Energy Inc.	27,975	675	610
Enbridge Inc.	30,533	1,578	1,863
Pembina Pipeline Corp.	12,820	610	681
Suncor Energy Inc.	30,064	1,374	1,543

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Energy(continued)			
TC Energy Corp.	17,377	933	1,164
Tourmaline Oil Corp.	11,248	688	748
Exchange Traded Funds			
iShares S&P/TSX 60 Index Fund ETF	5,535	194	207
iShares S&P/TSX Global Gold Index ETF	19,663	360	414
Mackenzie Canadian Aggregate Bond Index ETF *	18,500	1,693	1,737
Mackenzie Canadian All Corporate Bond Index ETF *	8,780	794	841
Mackenzie US High Yield Bond Hedged to CAD Index ETF *	28,744	2,374	2,355
Financials			
Bank of Montreal	20,046	2,453	2,798
Brookfield Asset Management Inc. Class A	9,535	514	743
Brookfield Corp.	13,569	767	1,121
iA Financial Corp. Inc.	6,569	628	876
Intact Financial Corp.	5,996	1,303	1,569
Manulife Financial Corp.	31,448	938	1,389
Royal Bank of Canada	24,041	3,267	4,168
Sun Life Financial Inc.	21,484	1,452	1,834
The Bank of Nova Scotia	16,791	1,142	1,296
The Toronto-Dominion Bank	33,698	2,662	2,580
Thomson Reuters Corp.	1,825	339	421
Industrials			
CAE Inc.	12,864	346	470
Canadian National Railway Co.	10,555	1,611	1,541
Canadian Pacific Kansas City Ltd.	19,400	2,002	2,020
Finning International Inc.	17,323	633	660
Toromont Industries Ltd.	4,253	488	483
Waste Connections Inc.	4,045	1,000	997
WSP Global Inc.	801	172	203

*The issuer of this security is a related company to the issuer of the Fund.

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Information Technology			
CGI Group Inc. Class A sub. voting	6,007	790	945
Open Text Corp.	13,662	599	556
Materials			
Agnico Eagle Mines Ltd.	13,473	1,083	1,515
Barrick Gold Corp.	28,805	675	642
CCL Industries Inc. Class B non-voting	11,071	742	819
Franco-Nevada Corp.	2,416	396	408
Nutrien Ltd.	16,100	1,265	1,036
Teck Resources Ltd. Class B	11,815	693	689
Wheaton Precious Metals Corp.	3,108	271	251
Real Estate			
Canadian Apartment Properties REIT	5,781	271	246
Choice Properties REIT	13,748	186	184
Granite REIT	5,127	383	358
Utilities			
Emera Inc.	13,285	672	714
Fortis Inc.	4,097	227	245
Northland Power Inc.	27,106	700	485
Total Canadian Common Stock		51,034	55,737
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	4,697	811	1,278
AT&T Inc.	13,047	437	427
Meta Platforms Inc.	1,530	832	1,288
Consumer Discretionary			
Amazon.com Inc.	4,994	947	1,575
AutoZone Inc.	78	290	359
McDonald's Corp.	796	294	332

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Consumer Discretionary (continued)			
The Home Depot Inc.	741	355	414
Consumer Staples			
Altria Group Inc.	6,188	391	465
Colgate Palmolive Co.	4,753	549	621
Philip Morris International Inc.	6,963	988	1,205
The Coca-Cola Co.	4,716	396	422
Energy			
Chevron Corp.	1,523	340	317
Exxon Mobil Corp.	3,680	591	569
The Williams Companies Inc.	10,699	543	833
Exchange Traded Funds			
iShares MSCI EAFE Index Fund	12,352	1,352	1,343
SPDR S&P 500 ETF Trust	2,384	1,962	2,009
Financials			
CME Group Inc.	2,375	625	793
JPMorgan Chase & Co.	4,143	925	1,428
Moody's Corp.	344	155	234
Morgan Stanley	2,190	398	396
S&P Global Inc.	849	444	608
The Blackstone Group Inc.	2,397	439	594
Health Care			
AbbVie Inc.	4,330	965	1,106
Becton, Dickinson and Co.	900	290	294
Johnson & Johnson Inc.	3,425	754	712
McKesson Corp.	708	421	580
Merck & Co. Inc.	3,042	472	435
Thermo Fisher Scientific Inc.	422	306	316
UnitedHealth Group Inc.	724	522	527

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Industrials			
Ferguson Enterprises Inc.	1,596	416	398
Parker Hannifin Corp.	417	323	381
Union Pacific Corp.	1,309	381	429
Information Technology			
Analog Devices Inc.	1,588	428	485
Apple Inc.	6,145	1,531	2,213
Broadcom Inc.	2,835	319	945
Lam Research Corp.	4,171	348	433
Microsoft Corp.	3,683	1,589	2,232
Motorola Solutions Inc.	1,713	719	1,138
NVIDIA Corp.	4,961	776	958
Oracle Corp.	3,336	621	799
Visa Inc. Class A	1,680	547	763
Materials			
The Sherwin-Williams Co.	534	191	261
Real Estate			
American Tower Corp. REIT Class A	811	201	214
VICI Properties Inc. REIT	8,251	373	347
Utilities			
Duke Energy Corp.	4,275	609	662
Total United States Common Stock		27,166	34,138
Global Common Stock			
Bermuda			
Brookfield Infrastructure Partners LP Partnership Units	15,219	674	695
Denmark			
Novo Nordisk AS	1,725	198	213

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
France			
Air Liquide SA	1,523	301	356
LVMH Moet Hennessy Louis Vuitton	301	298	285
Safran SA	1,315	288	415
Veolia Environnement SA	8,151	350	329
Germany			
Deutsche Boerse AG	2,828	720	937
Hannover Rueck SE	1,032	289	371
SAP SE	3,005	599	1,057
Siemens AG	1,767	419	496
Hong Kong			
Hong Kong Exchanges and Clearing Ltd.	6,500	294	355
Techtronic Industries Co. Ltd.	16,000	321	304
India			
HDFC Bank Ltd. ADR	4,499	370	413
Ireland			
CRH PLC	4,040	354	537
Linde PLC	580	282	349
Ryanair Holdings PLC ADR	5,875	389	368
Japan			
ITOCHU Corp.	10,300	599	729
Japan Exchange Group Inc.	30,000	370	479
Keyence Corp.	431	244	252
Sony Group Corp.	17,750	404	539
Tokio Marine Holdings Inc.	7,300	382	376
Jersey			
Glencore Xstrata PLC	79,475	570	506

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Netherlands			
Heineken Holdings NV	2,317	242	199
Wolters Kluwer NV	1,296	225	309
Singapore			
DBS Group Holdings Ltd.	17,460	583	804
Spain			
Amadeus IT Group SA	3,292	291	334
Sweden			
Assa Abloy AB	8,818	341	373
Atlas Copco AB Class A	10,101	180	222
Switzerland			
Nestle SA	2,362	351	279
Roche Holding AG	1,627	653	655
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3,028	418	860
United Kingdom			
AstraZeneca PLC	1,996	372	376
BAE Systems PLC	17,423	402	360
Compass Group PLC	7,899	318	378
Diageo PLC	7,496	371	342
Haleon PLC	49,027	288	333
RELX PLC	5,233	309	342
Shell PLC	14,552	614	649
Total Global Common Stock		14,673	17,176
Total Stocks		92,873	107,051

Income Opportunity Fund (LLIM) SF354

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7267	January 17, 2025	United States Dollar	181	Canadian Dollar	173	8
0.7192	January 24, 2025	United States Dollar	7,124	Canadian Dollar	6,895	229
0.7179	February 7, 2025	United States Dollar	900	Canadian Dollar	873	27
0.7179	February 7, 2025	United States Dollar	844	Canadian Dollar	819	25
0.7236	February 14, 2025	United States Dollar	189	Canadian Dollar	182	7
Derivatives - Assets						296
1.3870	January 10, 2025	Canadian Dollar	3,333	United States Dollar	3,418	(85)
1.3762	January 17, 2025	Canadian Dollar	603	United States Dollar	622	(19)
1.3761	January 17, 2025	Canadian Dollar	1,156	United States Dollar	1,191	(35)
1.4184	January 24, 2025	Canadian Dollar	2,682	United States Dollar	2,706	(24)
1.3640	January 24, 2025	Canadian Dollar	1,260	United States Dollar	1,307	(47)
1.3859	February 7, 2025	Canadian Dollar	1,775	United States Dollar	1,820	(45)
1.3854	February 7, 2025	Canadian Dollar	2,958	United States Dollar	3,033	(75)
1.3824	February 14, 2025	Canadian Dollar	546	United States Dollar	560	(14)
1.3801	February 14, 2025	Canadian Dollar	2,859	United States Dollar	2,938	(79)
1.4126	February 21, 2025	Canadian Dollar	2,483	United States Dollar	2,511	(28)
1.3919	February 28, 2025	Canadian Dollar	4,328	United States Dollar	4,421	(93)
1.4269	April 9, 2025	Canadian Dollar	2,633	United States Dollar	2,640	(7)
Derivatives - Liabilities						(551)
Total Forward Currency Contracts						(255)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(20)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 2,378	CAD 118.91	12
Derivatives - Assets						12
Total Futures Contracts						12

Total Derivative Instruments at Fair Value

(243)

Transaction Costs (note 2)

(38)

Total Investments

287,653

306,383

Income Opportunity Fund (LLIM) SF354

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Income Opportunity Fund (LLIM) SF354 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Income Opportunity Fund (LLIM) SF354

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 38,402	\$ 150	\$ 38,552	\$ 385
Euro	5,088	—	5,088	51
United Kingdom Pound Sterling	3,286	—	3,286	33
Other Currencies	5,580	(2)	5,578	56
Total	\$ 52,356	\$ 148	\$ 52,504	\$ 525
As Percent of Net Assets Attributable to Contractholders			16.1%	0.2%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 16,596	\$ 925	\$ 17,521	\$ 175
Euro	3,478	3	3,481	35
Other Currencies	4,674	(21)	4,653	47
Total	\$ 24,748	\$ 907	\$ 25,655	\$ 257
As Percent of Net Assets Attributable to Contractholders			13.4%	0.1%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

Income Opportunity Fund (LLIM) SF354

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 9,812	\$ 48,280	\$ 72,692	\$ 68,791	\$ 199,575

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 8,295	\$ 27,355	\$ 55,607	\$ 31,093	\$ 122,350

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$15,039 (\$8,808 at December 31, 2023) or approximately 4.6% (4.6% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Income Opportunity Fund (LLIM) SF354

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	7.0	4.3	1.8	1.2
AA	45.3	27.8	30.3	19.3
A	15.9	9.8	40.0	25.5
BBB	22.9	14.1	22.3	14.3
BB and lower	8.9	5.5	5.5	3.5
NR *	—	—	0.1	—
Total	100.0	61.5	100.0	63.8

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,071 (\$576 at December 31, 2023) or approximately 0.3% (0.3% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Income Opportunity Fund (LLIM) SF354

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 199,575	\$ —	\$ 199,575
Stocks	100,072	6,979	—	107,051
Derivatives	12	296	—	308
Total assets measured at fair value	\$ 100,084	\$ 206,850	\$ —	\$ 306,934
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 551	\$ —	\$ 551
Net assets attributable to contractholders measured at fair value	\$ 100,084	\$ 206,299	\$ —	\$ 306,383

⁽¹⁾ Excludes collateral pledged to counterparties of \$500.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 122,350	\$ —	\$ 122,350
Stocks	57,619	—	—	57,619
Derivatives	48	357	—	405
Total assets measured at fair value	\$ 57,667	\$ 122,707	\$ —	\$ 180,374
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ 18	\$ 139	\$ —	\$ 157
Net assets attributable to contractholders measured at fair value	\$ 57,649	\$ 122,568	\$ —	\$ 180,217

⁽¹⁾ Excludes collateral pledged to counterparties of \$563.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

Income Opportunity Fund (LLIM) SF354

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	184,690	218,976	278,127	316,172	371,945	2,951	3,282	3,966	4,941	5,575
Generations I	184,612	223,688	256,364	334,509	385,889	3,115	3,521	3,819	5,431	5,976
Generations II	62,548	78,382	82,747	91,786	105,158	984	1,151	1,150	1,391	1,521
Generations Core	28,205	34,699	40,309	37,784	49,906	455	522	574	586	737
75/75 guarantee policy	2,074,773	1,309,859	648,640	274,797	345,602	32,688	19,241	9,011	4,159	4,986
75/100 guarantee policy	7,399,865	4,820,265	2,625,327	1,213,357	1,444,403	115,393	70,120	36,139	18,205	20,671
100/100 guarantee policy	106,620	97,487	99,288	87,951	103,893	1,641	1,400	1,350	1,305	1,471
PS1 75/75 guarantee policy	2,375,261	1,010,949	264,044	12,596	14,461	34,393	13,622	3,359	174	190
PS1 75/100 guarantee policy	6,250,189	3,851,236	1,427,145	257,893	253,102	89,883	51,570	18,050	3,549	3,316
PS1 100/100 guarantee policy	267,173	89,418	73,966	79,000	62,030	3,792	1,182	924	1,075	804
PS2 75/75 guarantee policy	188,040	86,398	20,421	—	14,210	3,504	1,468	321	—	222
PS2 75/100 guarantee policy	495,067	559,656	504,472	75,681	75,194	9,224	9,511	7,935	1,269	1,177
PS2 100/100 guarantee policy	5,495	8,205	—	—	—	102	139	—	—	—
PS 75/75 guarantee policy	257,123	149,634	75,433	16,396	16,492	3,222	1,729	815	191	181
PS 75/100 guarantee policy	634,954	501,982	213,857	5,737	5,802	7,928	5,782	2,306	67	64
PS 100/100 guarantee policy	1,036	—	—	—	—	13	—	—	—	—
PPS 75/75 guarantee policy	527,053	235,889	151,357	—	—	6,687	2,754	1,650	—	—
PPS 75/100 guarantee policy	736,323	373,145	230,505	1,597	1,615	9,302	4,341	2,505	19	18
PPS 100/100 guarantee policy	11,412	11,532	11,654	—	—	144	134	126	—	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	15.98	14.99	14.26	15.63	14.99	0.99	0.73
Generations I	16.87	15.74	14.90	16.24	15.49	1.13	0.84
Generations II	15.73	14.68	13.90	15.16	14.47	1.05	0.78
Generations Core	16.14	15.05	14.23	15.50	14.78	1.09	0.82
75/75 guarantee policy	15.76	14.69	13.89	15.13	14.43	1.07	0.80
75/100 guarantee policy	15.59	14.55	13.77	15.00	14.31	1.04	0.78
100/100 guarantee policy	15.39	14.37	13.60	14.83	14.16	1.02	0.77
PS1 75/75 guarantee policy	14.48	13.47	12.72	13.83	13.16	1.01	0.75
PS1 75/100 guarantee policy	14.38	13.39	12.65	13.76	13.10	0.99	0.74
PS1 100/100 guarantee policy	14.19	13.22	12.50	13.60	12.96	0.97	0.72
PS2 75/75 guarantee policy	18.63	16.99	15.73	—	15.65	1.64	1.26
PS2 75/100 guarantee policy	18.63	16.99	15.73	16.77	15.65	1.64	1.26
PS2 100/100 guarantee policy	18.60	16.96	—	—	—	1.64	1.26
PS 75/75 guarantee policy	12.53	11.55	10.81	11.64	10.98	0.98	0.74
PS 75/100 guarantee policy	12.49	11.52	10.78	11.62	10.97	0.97	0.74
PS 100/100 guarantee policy	12.44	—	—	—	—	0.96	—
PPS 75/75 guarantee policy	12.69	11.68	10.90	—	—	1.01	0.78
PPS 75/100 guarantee policy	12.63	11.63	10.87	11.70	11.01	1.00	0.76
PPS 100/100 guarantee policy	12.59	11.60	10.84	—	—	0.99	0.76

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Income Opportunity Fund (LLIM) SF354

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Income Opportunity Fund (LLIM) SF354

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.81	2.76	2.75	2.75	2.75
Generations I	2.25	2.21	2.20	2.20	2.20
Generations II	2.31	2.27	2.25	2.26	2.25
Generations Core	2.20	2.16	2.14	2.15	2.15
75/75 guarantee policy	2.20	2.16	2.13	2.15	2.15
75/100 guarantee policy	2.25	2.21	2.18	2.20	2.20
100/100 guarantee policy	2.31	2.27	2.25	2.26	2.26
PS1 75/75 guarantee policy	2.01	1.98	1.97	1.97	1.97
PS1 75/100 guarantee policy	2.07	2.03	2.02	2.02	2.02
PS1 100/100 guarantee policy	2.12	2.09	2.07	2.07	2.08
PS 75/75 guarantee policy	1.08	1.06	1.04	1.05	1.05
PS 75/100 guarantee policy	1.13	1.12	1.11	1.11	1.11
PS 100/100 guarantee policy	1.21	—	—	—	—
PPS 75/75 guarantee policy	0.89	0.88	0.87	—	—
PPS 75/100 guarantee policy	0.95	0.93	0.93	0.93	0.93
PPS 100/100 guarantee policy	1.00	0.99	0.98	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	63.93	64.93	149.22	70.37	31.99

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
NORTHSTAR FUND (FIDELITY) SF355

December 31, 2024

Independent Auditor's Report

To the Contractholders of Northstar Fund (Fidelity) SF355 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Northstar Fund (Fidelity) SF355

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 70	\$ 74
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	87,405	71,964
Total investments	87,405	71,964
Total assets	\$ 87,475	\$ 72,038
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	18	134
Due to brokers	—	55
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	18	189
Net assets attributable to contractholders	\$ 87,457	\$ 71,849

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 17,000	\$ 10,895
Miscellaneous income (loss)	—	—
Total income (loss)	17,000	10,895
Expenses		
Management fees (note 8)	2,402	2,064
Other	263	225
Total expenses	2,665	2,289
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 14,335	\$ 8,606

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 71,849	\$ 66,627
Contractholder deposits	10,260	6,647
Contractholder withdrawals	(8,987)	(10,031)
Increase (decrease) in net assets from operations attributable to contractholders	14,335	8,606
Change in net assets attributable to contractholders	15,608	5,222
Net assets attributable to contractholders - end of year	\$ 87,457	\$ 71,849

Northstar Fund (Fidelity) SF355

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 14,335	\$ 8,606
Adjustments		
Realized (gains) losses	(1,521)	(1,527)
Unrealized (gains) losses	(7,027)	(417)
Gross proceeds of disposition of investments	7,430	9,037
Gross payments for the purchase of investments	(5,871)	(3,473)
Distribution income of underlying mutual fund	(8,452)	(8,951)
Change in due from/to The Canada Life Assurance Company	(116)	108
Change in due from/to brokers	(55)	36
	(1,277)	3,419
Financing Activities		
Contractholder deposits	10,260	6,647
Contractholder withdrawals	(8,987)	(10,031)
	1,273	(3,384)
Net increase (decrease) in cash, short-term deposits and overdrafts	(4)	35
Cash, short-term deposits and overdrafts, beginning of year	74	39
Cash, short-term deposits and overdrafts, end of year	\$ 70	\$ 74

Northstar Fund (Fidelity) SF355

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity NorthStar Fund Class O	2,260,907	72,449	87,405
Total Investments		72,449	87,405

Top 25 Holdings

Security Description	% of Total
NVIDIA Corp.	3.63%
Microsoft Corp.	2.91%
Meta Platforms Inc.	2.16%
Amazon.com Inc.	1.87%
Alphabet Inc. Class C	1.43%
Imperial Brands PLC	1.26%
Metro Inc.	1.08%
British American Tobacco PLC	1.04%
Apple Inc.	1.03%
Roku Inc. Class A	0.98%
Diageo PLC	0.96%
Broadcom Inc.	0.90%
Wells Fargo & Co.	0.88%
UnitedHealth Group Inc.	0.84%
Pfizer Inc.	0.81%
Flex Ltd.	0.72%
Nestle SA	0.72%
PG&E Corp.	0.72%
Alimentation Couche-Tard Inc.	0.71%
Marvell Technology Inc.	0.71%
Bayer AG	0.67%
Britvic PLC	0.61%
Pernod Ricard SA *	0.58%
Reckitt Benckiser Group PLC	0.58%
Builders FirstSource Inc.	0.57%

*The issuer of this security is a related company to the issuer of the Fund.

Northstar Fund (Fidelity) SF355

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	550,189	638,446	754,006	837,121	1,041,241	15,334	14,923	15,617	18,806	22,014
Generations I	94,180	124,217	135,121	172,853	198,045	2,661	2,937	2,825	3,911	4,207
Generations II	26,858	31,567	38,093	39,200	41,276	675	667	713	797	791
Generations Core	120,867	139,087	170,996	192,213	195,168	3,366	3,230	3,500	4,244	4,033
75/75 guarantee policy	281,869	269,452	257,001	269,100	252,441	9,880	7,877	6,620	7,478	6,565
75/100 guarantee policy	688,109	696,480	712,095	705,681	674,906	23,204	19,654	17,766	19,055	17,112
100/100 guarantee policy	103,376	114,708	124,161	140,729	140,233	3,306	3,080	2,958	3,640	3,417
PS1 75/75 guarantee policy	165,179	110,756	108,251	129,494	102,615	5,804	3,234	2,776	3,569	2,638
PS1 75/100 guarantee policy	462,733	404,745	402,384	376,972	276,090	15,615	11,389	9,976	10,079	6,907
PS1 100/100 guarantee policy	113,507	85,276	75,903	65,752	28,979	3,617	2,277	1,793	1,683	697
PS2 75/75 guarantee policy	13,513	6,962	3,713	3,978	5,005	678	282	128	144	164
PS2 75/100 guarantee policy	44,997	45,789	50,967	51,347	40,030	2,256	1,855	1,763	1,856	1,311
PS2 100/100 guarantee policy	—	—	—	—	1,892	—	—	—	—	62
PS 75/75 guarantee policy	1,563	387	599	—	—	26	5	7	—	—
PS 75/100 guarantee policy	15,659	16,603	9,656	3,374	761	258	226	115	43	9
PS 100/100 guarantee policy	597	604	610	1,032	—	10	8	7	13	—
PPS 75/75 guarantee policy	22,595	1,522	—	—	—	388	22	—	—	—
PPS 75/100 guarantee policy	22,560	13,179	5,252	11,367	808	379	183	63	146	10

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	27.87	23.37	20.71	22.47	21.14	4.50	2.66
Generations I	28.25	23.64	20.90	22.62	21.24	4.61	2.74
Generations II	25.15	21.11	18.73	20.34	19.16	4.04	2.38
Generations Core	27.85	23.23	20.47	22.08	20.66	4.62	2.76
75/75 guarantee policy	35.05	29.23	25.76	27.79	26.01	5.82	3.47
75/100 guarantee policy	33.72	28.22	24.95	27.00	25.36	5.50	3.27
100/100 guarantee policy	31.98	26.85	23.82	25.87	24.37	5.13	3.03
PS1 75/75 guarantee policy	35.14	29.20	25.64	27.56	25.71	5.94	3.56
PS1 75/100 guarantee policy	33.74	28.14	24.79	26.74	25.02	5.60	3.35
PS1 100/100 guarantee policy	31.87	26.69	23.62	25.59	24.05	5.18	3.07
PS2 75/75 guarantee policy	50.17	40.53	34.60	36.16	32.78	9.64	5.93
PS2 75/100 guarantee policy	50.15	40.51	34.58	36.14	32.76	9.64	5.93
PS2 100/100 guarantee policy	—	—	—	—	32.75	—	—
PS 75/75 guarantee policy	16.78	13.84	12.06	—	—	2.94	1.78
PS 75/100 guarantee policy	16.45	13.61	11.90	12.74	11.83	2.84	1.71
PS 100/100 guarantee policy	16.08	13.35	11.71	12.57	—	2.73	1.64
PPS 75/75 guarantee policy	17.17	14.11	—	—	—	3.06	1.86
PPS 75/100 guarantee policy	16.82	13.87	12.09	12.89	11.93	2.95	1.78

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Northstar Fund (Fidelity) SF355 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Northstar Fund (Fidelity) SF355

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Northstar Fund (Fidelity) SF355

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.75	3.72	3.73	3.73	3.76
Generations I	3.53	3.50	3.51	3.51	3.54
Generations II	3.87	3.83	3.84	3.84	3.87
Generations Core	3.20	3.17	3.17	3.17	3.21
75/75 guarantee policy	3.20	3.17	3.17	3.17	3.21
75/100 guarantee policy	3.53	3.50	3.50	3.50	3.54
100/100 guarantee policy	3.87	3.83	3.84	3.83	3.87
PS1 75/75 guarantee policy	2.84	2.82	2.83	2.82	2.86
PS1 75/100 guarantee policy	3.18	3.15	3.15	3.15	3.19
PS1 100/100 guarantee policy	3.63	3.59	3.59	3.60	3.63
PS 75/75 guarantee policy	2.08	2.09	2.07	—	—
PS 75/100 guarantee policy	2.42	2.40	2.40	2.40	2.44
PS 100/100 guarantee policy	2.74	2.74	2.74	2.72	—
PPS 75/75 guarantee policy	1.73	1.71	—	—	—
PPS 75/100 guarantee policy	2.06	2.05	2.06	2.05	2.08

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.34	5.05	2.48	10.04	3.27

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
AMERICAN DISCIPLINED EQUITY FUND (FIDELITY)
SF356

December 31, 2024

Independent Auditor's Report

To the Contractholders of American Disciplined Equity Fund (Fidelity) SF356 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

American Disciplined Equity Fund (Fidelity) SF356

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	57
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	62,314	52,429
Total investments	62,314	52,429
Total assets	\$ 62,314	\$ 52,486
Liabilities		
Overdrafts	\$ 14	\$ 70
Due to The Canada Life Assurance Company (note 8)	2	14
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	16	84
Net assets attributable to contractholders	\$ 62,298	\$ 52,402

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 20,117	\$ 12,690
Miscellaneous income (loss)	—	—
Total income (loss)	20,117	12,690
Expenses		
Management fees (note 8)	1,744	1,547
Other	158	141
Total expenses	1,902	1,688
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 18,215	\$ 11,002

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 52,402	\$ 49,727
Contractholder deposits	347	380
Contractholder withdrawals	(8,666)	(8,707)
Increase (decrease) in net assets from operations attributable to contractholders	18,215	11,002
Change in net assets attributable to contractholders	9,896	2,675
Net assets attributable to contractholders - end of year	\$ 62,298	\$ 52,402

American Disciplined Equity Fund (Fidelity) SF356

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 18,215	\$ 11,002
Adjustments		
Realized (gains) losses	(5,611)	(4,262)
Unrealized (gains) losses	(12,404)	(7,057)
Gross proceeds of disposition of investments	10,323	10,331
Gross payments for the purchase of investments	(91)	(311)
Distribution income of underlying mutual fund	(2,102)	(1,371)
Change in due from/to The Canada Life Assurance Company	(12)	(2)
Change in due from/to brokers	57	(26)
	<u>8,375</u>	<u>8,304</u>
Financing Activities		
Contractholder deposits	347	380
Contractholder withdrawals	(8,666)	(8,707)
	<u>(8,319)</u>	<u>(8,327)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	56	(23)
Cash, short-term deposits and overdrafts, beginning of year	(70)	(47)
Cash, short-term deposits and overdrafts, end of year	\$ (14)	\$ (70)

American Disciplined Equity Fund (Fidelity) SF356

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity American Disciplined Equity Fund Series O	1,082,557	26,504	62,314
Total Investments		26,504	62,314

Top 25 Holdings

Security Description	% of Total
Apple Inc.	8.65%
NVIDIA Corp.	7.59%
Microsoft Corp.	4.86%
Amazon.com Inc.	4.43%
Alphabet Inc. Class C	3.81%
Tesla Inc.	2.30%
Meta Platforms Inc.	2.24%
Wells Fargo & Co.	2.10%
Eli Lilly and Co.	1.99%
Exxon Mobil Corp.	1.98%
Cisco Systems Inc.	1.65%
ServiceNow Inc.	1.55%
Salesforce Inc.	1.51%
US Bancorp	1.31%
Walmart Inc.	1.28%
Marvell Technology Inc.	1.27%
IBM Corp.	1.23%
Visa Inc. Class A	1.21%
NXP Semiconductors NV	1.18%
Lowe's Companies Inc.	1.16%
Netflix Inc.	1.16%
Boston Scientific Corp.	1.12%
The Procter & Gamble Co.	1.12%
Trane Technologies PLC	1.05%
The Bank of New York Mellon Corp.	1.01%

American Disciplined Equity Fund (Fidelity) SF356

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	352,917	432,738	496,128	525,006	589,099	15,982	14,331	13,310	16,862	15,342
Generations I	69,673	81,258	109,447	123,399	128,059	3,331	2,839	3,096	4,177	3,513
Generations II	49,209	65,030	79,632	82,743	86,916	1,924	1,865	1,854	2,313	1,976
Generations Core	42,221	48,693	81,911	91,362	127,945	1,821	1,529	2,075	2,759	3,119
75/75 guarantee policy	74,143	90,302	104,612	120,574	133,648	4,516	4,005	3,742	5,141	4,600
75/100 guarantee policy	191,050	225,844	269,027	310,916	357,017	11,168	9,650	9,306	12,869	11,976
100/100 guarantee policy	52,126	61,505	69,825	80,559	98,270	2,898	2,507	2,312	3,202	3,176
PS1 75/75 guarantee policy	80,463	82,894	92,525	85,871	79,092	4,661	3,482	3,123	3,441	2,548
PS1 75/100 guarantee policy	247,799	257,916	285,476	328,587	326,710	13,893	10,515	9,376	12,847	10,299
PS1 100/100 guarantee policy	26,333	27,289	30,073	37,795	54,879	1,404	1,062	947	1,422	1,671
PS2 75/75 guarantee policy	—	1,698	1,761	1,919	2,330	—	98	79	99	95
PS2 75/100 guarantee policy	6,465	6,663	6,858	7,062	7,276	526	382	308	366	296
PS2 100/100 guarantee policy	2,141	2,393	4,433	6,435	6,624	174	137	199	334	269

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	45.28	33.12	26.83	32.12	26.04	12.16	6.29
Generations I	47.80	34.94	28.29	33.85	27.43	12.86	6.65
Generations II	39.10	28.67	23.29	27.96	22.73	10.43	5.38
Generations Core	43.14	31.41	25.33	30.20	24.38	11.73	6.08
75/75 guarantee policy	60.91	44.35	35.77	42.64	34.42	16.56	8.58
75/100 guarantee policy	58.46	42.73	34.59	41.39	33.54	15.73	8.14
100/100 guarantee policy	55.59	40.77	33.11	39.75	32.32	14.82	7.66
PS1 75/75 guarantee policy	57.93	42.01	33.75	40.07	32.22	15.92	8.26
PS1 75/100 guarantee policy	56.07	40.77	32.84	39.10	31.53	15.30	7.93
PS1 100/100 guarantee policy	53.33	38.93	31.48	37.62	30.45	14.40	7.45
PS2 75/75 guarantee policy	—	57.36	44.87	51.87	40.61	—	12.49
PS2 75/100 guarantee policy	81.27	57.37	44.88	51.88	40.62	23.90	12.49
PS2 100/100 guarantee policy	81.36	57.44	44.93	51.94	40.67	23.92	12.51

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The American Disciplined Equity Fund (Fidelity) SF356 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

American Disciplined Equity Fund (Fidelity) SF356

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

American Disciplined Equity Fund (Fidelity) SF356

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.53	3.50	3.51	3.50	3.51
Generations I	3.47	3.45	3.45	3.45	3.46
Generations II	3.80	3.77	3.78	3.77	3.79
Generations Core	3.09	3.06	3.07	3.07	3.07
75/75 guarantee policy	3.09	3.06	3.07	3.07	3.08
75/100 guarantee policy	3.47	3.45	3.45	3.45	3.46
100/100 guarantee policy	3.80	3.77	3.78	3.78	3.79
PS1 75/75 guarantee policy	2.69	2.67	2.67	2.66	2.67
PS1 75/100 guarantee policy	2.96	2.94	2.95	2.94	2.95
PS1 100/100 guarantee policy	3.34	3.32	3.33	3.33	3.33

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.15	0.60	2.72	2.38	5.50

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL BALANCED FUND (MACKENZIE) SF513

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Balanced Fund (Mackenzie) SF513 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Balanced Fund (Mackenzie) SF513

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ 155
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	75
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	310,367	255,682
Total investments	310,367	255,682
Total assets	\$ 310,367	\$ 255,912
Liabilities		
Overdrafts	\$ 147	\$ —
Due to The Canada Life Assurance Company (note 8)	18	198
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	165	198
Net assets attributable to contractholders	\$ 310,202	\$ 255,714

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 51,618	\$ 27,507
Miscellaneous income (loss)	—	—
Total income (loss)	51,618	27,507
Expenses		
Management fees (note 8)	6,838	5,963
Other	697	602
Total expenses	7,535	6,565
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 44,083	\$ 20,942

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 255,714	\$ 241,298
Contractholder deposits	45,844	27,569
Contractholder withdrawals	(35,439)	(34,095)
Increase (decrease) in net assets from operations attributable to contractholders	44,083	20,942
Change in net assets attributable to contractholders	54,488	14,416
Net assets attributable to contractholders - end of year	\$ 310,202	\$ 255,714

Global Balanced Fund (Mackenzie) SF513

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 44,083	\$ 20,942
Adjustments		
Realized (gains) losses	(2,047)	(594)
Unrealized (gains) losses	(28,219)	(20,956)
Gross proceeds of disposition of investments	16,486	23,753
Gross payments for the purchase of investments	(19,553)	(10,826)
Distribution income of underlying mutual fund	(21,352)	(5,957)
Change in due from/to The Canada Life Assurance Company	(180)	302
Change in due from/to brokers	75	(131)
	(10,707)	6,533
Financing Activities		
Contractholder deposits	45,844	27,569
Contractholder withdrawals	(35,439)	(34,095)
	10,405	(6,526)
Net increase (decrease) in cash, short-term deposits and overdrafts	(302)	7
Cash, short-term deposits and overdrafts, beginning of year	155	148
Cash, short-term deposits and overdrafts, end of year	\$ (147)	\$ 155

Global Balanced Fund (Mackenzie) SF513

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Balanced Fund Series S *	13,518,919	269,531	310,367
Total Investments		269,531	310,367

Top 25 Holdings

Security Description	% of Total
Alphabet Inc. Class A	3.68%
Berkshire Hathaway Inc. Class B	3.18%
Brookfield Corp.	2.92%
Amazon.com Inc.	2.89%
Microsoft Corp.	2.88%
Apple Inc.	2.67%
Texas Instruments Inc.	2.52%
Amphenol Corp. Class A	2.49%
Automatic Data Processing Inc.	2.48%
Accenture PLC Class A	2.35%
Marsh & McLennan Companies Inc.	2.25%
Deutsche Boerse AG	2.21%
Cash and short-term deposits	2.08%
Abbott Laboratories	2.07%
Johnson & Johnson Inc.	1.95%
Union Pacific Corp.	1.94%
Roper Technologies Inc.	1.93%
McDonald's Corp.	1.91%
United States Treasury 4.38% 05-15-2034	1.86%
United States Treasury 3.88% 08-15-2034	1.83%
Compass Group PLC	1.78%
Halma PLC	1.71%
W. W. Grainger Inc.	1.60%
Oracle Corp.	1.55%
The TJX Companies Inc.	1.55%

*The issuer of this security is a related company to the issuer of the Fund.

Global Balanced Fund (Mackenzie) SF513

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,662,840	1,690,936	1,752,479	1,795,082	1,500,460	44,043	38,245	36,450	41,782	32,941
75/100 guarantee policy	4,571,863	4,737,510	4,763,866	4,911,615	4,307,065	118,988	105,523	97,794	113,080	93,734
100/100 guarantee policy	515,833	606,194	649,453	695,163	661,952	13,068	13,163	13,017	15,651	14,109
PS1 75/75 guarantee policy	989,095	822,315	867,192	883,815	592,157	24,398	17,280	16,718	19,022	11,993
PS1 75/100 guarantee policy	3,446,031	2,910,741	2,882,223	2,754,706	1,934,951	83,388	60,103	54,690	58,452	38,697
PS1 100/100 guarantee policy	444,908	374,920	338,851	321,513	247,009	10,457	7,536	6,272	6,670	4,840
PS2 75/75 guarantee policy	71,203	68,834	94,826	89,791	86,227	2,400	1,927	2,375	2,449	2,158
PS2 75/100 guarantee policy	195,703	231,534	298,420	314,938	214,179	6,600	6,486	7,479	8,594	5,364
PS2 100/100 guarantee policy	45,665	48,209	60,436	106,773	66,042	1,540	1,351	1,515	2,914	1,654
PS 75/75 guarantee policy	14,783	26,302	29,608	35,953	17,915	227	341	350	470	218
PS 75/100 guarantee policy	137,347	138,356	147,007	113,094	89,672	2,082	1,774	1,719	1,467	1,087
PS 100/100 guarantee policy	—	—	—	—	5,020	—	—	—	—	61
PPS 75/75 guarantee policy	60,063	53,935	130,415	79,126	64,589	938	710	1,558	1,044	793
PPS 75/100 guarantee policy	134,122	90,263	99,505	100,387	21,827	2,073	1,177	1,180	1,316	267
PPS 100/100 guarantee policy	—	7,622	15,433	20,546	—	—	98	181	267	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	26.49	22.62	20.80	23.28	21.95	3.87	1.82
75/100 guarantee policy	26.03	22.27	20.53	23.02	21.76	3.76	1.74
100/100 guarantee policy	25.33	21.71	20.04	22.51	21.31	3.62	1.67
PS1 75/75 guarantee policy	24.67	21.01	19.28	21.52	20.25	3.66	1.73
PS1 75/100 guarantee policy	24.20	20.65	18.97	21.22	20.00	3.55	1.68
PS1 100/100 guarantee policy	23.50	20.10	18.51	20.75	19.60	3.40	1.59
PS2 75/75 guarantee policy	33.71	28.00	25.05	27.28	25.03	5.71	2.95
PS2 75/100 guarantee policy	33.73	28.01	25.06	27.29	25.04	5.72	2.95
PS2 100/100 guarantee policy	33.73	28.02	25.07	27.29	25.05	5.71	2.95
PS 75/75 guarantee policy	15.37	12.98	11.81	13.07	12.19	2.39	1.17
PS 75/100 guarantee policy	15.15	12.83	11.69	12.97	12.13	2.32	1.14
PS 100/100 guarantee policy	—	—	—	—	12.08	—	—
PPS 75/75 guarantee policy	15.62	13.16	11.94	13.19	12.27	2.46	1.22
PPS 75/100 guarantee policy	15.46	13.04	11.86	13.11	12.22	2.42	1.18
PPS 100/100 guarantee policy	—	12.87	11.72	12.99	—	—	1.15

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Balanced Fund (Mackenzie) SF513 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Balanced Fund (Mackenzie) SF513

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Balanced Fund (Mackenzie) SF513

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.77	2.75	2.75	2.73	2.72
75/100 guarantee policy	2.99	2.97	2.97	2.95	2.94
100/100 guarantee policy	3.15	3.12	3.12	3.11	3.10
PS1 75/75 guarantee policy	2.53	2.51	2.51	2.49	2.45
PS1 75/100 guarantee policy	2.70	2.67	2.67	2.66	2.62
PS1 100/100 guarantee policy	2.92	2.89	2.89	2.88	2.84
PS 75/75 guarantee policy	1.66	1.65	1.65	1.63	1.64
PS 75/100 guarantee policy	1.89	1.87	1.86	1.86	1.85
PS 100/100 guarantee policy	—	—	—	—	2.01
PPS 75/75 guarantee policy	1.43	1.41	1.41	1.40	1.36
PPS 75/100 guarantee policy	1.59	1.58	1.58	1.55	1.53
PPS 100/100 guarantee policy	—	1.80	1.80	1.79	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.53	2.51	2.51	2.49	2.48
PS1 75/100 guarantee policy	2.70	2.67	2.67	2.66	2.65
PS1 100/100 guarantee policy	2.92	2.89	2.89	2.88	2.87
PPS 75/75 guarantee policy	1.43	1.41	1.41	1.40	1.39
PPS 75/100 guarantee policy	1.59	1.58	1.58	1.55	1.56

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.94	4.41	6.54	89.58	6.27

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL VALUE FUND (MACKENZIE) SF514

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Value Fund (Mackenzie) SF514 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Value Fund (Mackenzie) SF514

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	13
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	14,563	14,883
Total investments	14,563	14,883
Total assets	\$ 14,563	\$ 14,896
Liabilities		
Overdrafts	\$ —	\$ 16
Due to The Canada Life Assurance Company (note 8)	1	5
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	1	21
Net assets attributable to contractholders	\$ 14,562	\$ 14,875

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,834	\$ 2,693
Miscellaneous income (loss)	—	—
Total income (loss)	2,834	2,693
Expenses		
Management fees (note 8)	262	256
Other	31	30
Total expenses	293	286
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,541	\$ 2,407

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 14,875	\$ 15,003
Contractholder deposits	126	116
Contractholder withdrawals	(2,980)	(2,651)
Increase (decrease) in net assets from operations attributable to contractholders	2,541	2,407
Change in net assets attributable to contractholders	(313)	(128)
Net assets attributable to contractholders - end of year	\$ 14,562	\$ 14,875

Global Value Fund (Mackenzie) SF514

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,541	\$ 2,407
Adjustments		
Realized (gains) losses	(1,153)	(692)
Unrealized (gains) losses	(1,681)	(1,963)
Gross proceeds of disposition of investments	3,323	3,119
Gross payments for the purchase of investments	(169)	(313)
Distribution income of underlying mutual fund	—	(38)
Change in due from/to The Canada Life Assurance Company	(4)	13
Change in due from/to brokers	13	—
	<u>2,870</u>	<u>2,533</u>
Financing Activities		
Contractholder deposits	126	116
Contractholder withdrawals	(2,980)	(2,651)
	<u>(2,854)</u>	<u>(2,535)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	16	(2)
Cash, short-term deposits and overdrafts, beginning of year	(16)	(14)
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ (16)

Global Value Fund (Mackenzie) SF514

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Cundill Value Fund Series S *	555,833	8,699	14,563
Total Investments		8,699	14,563

Top 25 Holdings

Security Description	% of Total
Celestica Inc.	3.63%
Alstom SA	3.40%
Wells Fargo & Co.	3.40%
AtkinsRealis Group Inc.	3.37%
Citigroup Inc.	3.36%
Brookfield Corp.	3.35%
Salesforce Inc.	3.34%
Broadcom Inc.	3.06%
Siemens AG	2.96%
Hewlett-Packard Enterprise Co.	2.81%
Walmart Inc.	2.70%
Bank of America Corp.	2.68%
Skechers U.S.A. Inc. Class A	2.65%
Lam Research Corp.	2.60%
Lowe's Companies Inc.	2.51%
UBS Group AG	2.51%
Koninklijke Philips NV	2.33%
PNC Financial Services Group Inc.	2.32%
Coca-Cola Europacific Partners PLC	2.31%
The TJX Companies Inc.	2.28%
Wabtec Corp.	2.24%
Teck Resources Ltd. Class B	2.23%
Sanofi SA	2.20%
Renesas Electronics Corp.	1.96%
DXC Technology Co.	1.91%

*The issuer of this security is a related company to the issuer of the Fund.

Global Value Fund (Mackenzie) SF514

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	27,350	40,301	45,323	54,838	63,933	521	654	634	841	876
75/100 guarantee policy	84,041	119,680	140,371	151,117	205,576	1,550	1,883	1,907	2,259	2,751
100/100 guarantee policy	139,025	193,876	205,072	215,277	246,456	2,416	2,885	2,647	3,068	3,157
PS1 75/75 guarantee policy	38,234	40,431	40,982	44,121	41,914	800	717	624	733	620
PS1 75/100 guarantee policy	44,993	44,830	52,392	62,619	77,402	904	765	770	1,009	1,113
PS1 100/100 guarantee policy	141,413	111,572	146,646	162,355	173,720	2,682	1,807	2,054	2,503	2,400
PS2 75/75 guarantee policy	583	425	868	1,605	2,048	17	10	17	34	38
PS2 75/100 guarantee policy	14,671	20,726	23,160	26,641	27,742	424	495	462	566	510
PS2 100/100 guarantee policy	14,870	15,947	17,703	19,776	18,053	431	381	354	420	332
PS 75/75 guarantee policy	431	434	437	440	444	5	4	4	4	4
PS 75/100 guarantee policy	318	922	962	1,011	1,019	4	9	8	10	9

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	19.06	16.22	13.98	15.34	13.71	2.84	2.24
75/100 guarantee policy	18.44	15.73	13.59	14.95	13.38	2.71	2.14
100/100 guarantee policy	17.38	14.88	12.91	14.25	12.81	2.50	1.97
PS1 75/75 guarantee policy	20.94	17.74	15.22	16.62	14.78	3.20	2.52
PS1 75/100 guarantee policy	20.09	17.08	14.70	16.11	14.37	3.01	2.38
PS1 100/100 guarantee policy	18.97	16.20	14.00	15.42	13.82	2.77	2.20
PS2 75/75 guarantee policy	28.94	23.88	19.96	21.24	18.41	5.06	3.92
PS2 75/100 guarantee policy	28.93	23.87	19.95	21.23	18.40	5.06	3.92
PS2 100/100 guarantee policy	28.95	23.89	19.97	21.25	18.41	5.06	3.92
PS 75/75 guarantee policy	12.32	10.37	8.84	9.59	8.48	1.95	1.53
PS 75/100 guarantee policy	12.16	10.25	8.76	9.52	8.43	1.91	1.49

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Value Fund (Mackenzie) SF514 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Value Fund (Mackenzie) SF514

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Value Fund (Mackenzie) SF514

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.11	3.08	3.08	3.06	3.07
75/100 guarantee policy	3.33	3.30	3.30	3.29	3.29
100/100 guarantee policy	3.72	3.69	3.69	3.68	3.67
PS1 75/75 guarantee policy	2.64	2.62	2.61	2.60	2.56
PS1 75/100 guarantee policy	2.97	2.95	2.95	2.93	2.90
PS1 100/100 guarantee policy	3.42	3.40	3.39	3.38	3.34
PS 75/75 guarantee policy	1.95	1.96	1.96	1.95	1.99
PS 75/100 guarantee policy	2.21	2.19	2.17	2.17	2.16

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.64	2.62	2.61	2.60	2.60
PS1 75/100 guarantee policy	2.97	2.95	2.95	2.93	2.94
PS1 100/100 guarantee policy	3.42	3.40	3.39	3.38	3.38

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	1.15	2.09	2.20	0.94	7.32

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL INFRASTRUCTURE EQUITY FUND
(LONDON CAPITAL) SF515

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Infrastructure Equity Fund (London Capital) SF515 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Infrastructure Equity Fund (London Capital) SF515

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 360	\$ 149
Investment income due and accrued	79	157
Due from The Canada Life Assurance Company (note 7)	21	25
Due from brokers	—	—
Due from outside parties	2	2
Investments		
Bonds	—	—
Stocks	48,910	77,212
Investment fund units	—	—
Total investments	48,910	77,212
Total assets	\$ 49,372	\$ 77,545
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 49,372	\$ 77,545

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 17,701	\$ 4,314
Miscellaneous income (loss)	35	21
Total income (loss)	17,736	4,335
Expenses		
Management fees (note 7)	1,139	1,116
Transaction costs	165	150
Withholding taxes	312	303
Other	124	111
Total expenses	1,740	1,680
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 15,996	\$ 2,655

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 77,545	\$ 82,299
Contractholder deposits	4,647	7,723
Contractholder withdrawals	(48,816)	(15,132)
Increase (decrease) in net assets from operations attributable to contractholders	15,996	2,655
Change in net assets attributable to contractholders	(28,173)	(4,754)
Net assets attributable to contractholders - end of year	\$ 49,372	\$ 77,545

Global Infrastructure Equity Fund (London Capital) SF515

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 15,996	\$ 2,655
Adjustments		
Realized (gains) losses	(12,297)	645
Unrealized (gains) losses	(2,282)	(1,738)
Gross proceeds of disposition of investments	107,419	79,657
Gross payments for the purchase of investments	(64,538)	(74,034)
Change in investment income due and accrued	78	(21)
Change in due from/to The Canada Life Assurance Company	4	160
Change in due from/to brokers	—	(192)
Change in due from/to outside parties	—	—
	44,380	7,132
Financing Activities		
Contractholder deposits	4,647	7,723
Contractholder withdrawals	(48,816)	(15,132)
	(44,169)	(7,409)
Net increase (decrease) in cash, short-term deposits and overdrafts	211	(277)
Cash, short-term deposits and overdrafts, beginning of year	149	426
Cash, short-term deposits and overdrafts, end of year	\$ 360	\$ 149
Supplementary cash flow information		
Dividend income received	\$ 3,185	\$ 3,195

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Rogers Communications Inc. Class B non-voting	2,650	138	117
Energy			
Enbridge Inc.	28,480	1,447	1,738
South Bow Corp.	705	18	24
TC Energy Corp.	11,809	637	791
Industrials			
Westshore Terminals Investment Corp.	3,025	73	68
Utilities			
ATCO Ltd. Class I non-voting	24,917	997	1,186
Brookfield Infrastructure Corp.	2,975	140	172
Canadian Utilities Ltd. Class A non-voting	6,306	219	220
Superior Plus Corp.	8,566	87	55
Total Canadian Common Stock		3,756	4,371
United States Common Stock			
Communication Services			
AT&T Inc.	22,647	570	741
Telephone and Data Systems Inc.	2,004	54	98
United States Cellular Corp.	303	25	27
Verizon Communications Inc.	10,196	491	586
Consumer Discretionary			
Adtalem Global Education Inc.	2,220	193	290
Perdoceo Education Corp.	6,274	125	239
Energy			
Antero Midstream Corp.	2,429	49	53
Cheniere Energy Inc.	3,406	530	1,052
DT Midstream Inc.	2,366	301	338
Excelerate Energy Inc.	7,423	194	323

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Energy (continued)			
Hess Midstream LP	5,432	232	289
Kinder Morgan Inc.	26,864	694	1,058
ONEOK Inc.	5,194	566	750
Plains GP Holdings LP	15,949	374	422
Targa Resources Corp.	2,758	438	708
The Williams Companies Inc.	14,207	629	1,106
Financials			
iShares Global Infrastructure ETF	2,280	166	171
Health Care			
Encompass Health Corp.	1,540	136	204
HCA Healthcare Inc.	453	196	195
Select Medical Holdings Corp.	3,588	106	97
Tenet Healthcare Corp.	625	81	113
Universal Health Services Inc. Class B	378	88	98
Utilities			
American Electric Power Co. Inc.	3,404	438	452
Atmos Energy Corp.	122	26	24
Black Hills Corp.	7,334	549	617
Consolidated Edison Inc.	4,557	632	585
Constellation Energy Corp.	2,879	677	926
Dominion Energy Inc.	8,062	561	624
Duke Energy Corp.	10,651	1,387	1,650
Edison International	3,337	379	383
Entergy Corp.	246	25	27
Exelon Corp.	10,731	584	581
Genie Energy Ltd.	3,480	87	78
National Fuel Gas Co.	9,718	745	848
NextEra Energy Inc.	18,796	1,718	1,937
NiSource Inc.	13,744	561	726
NRG Energy Inc.	359	45	47
OGE Energy Corp.	16,263	862	965

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Utilities (continued)			
Otter Tail Corp.	323	35	34
PG&E Corp.	1,196	31	35
Southern Co.	6,935	664	821
UGI Corp.	5,340	177	217
WEC Energy Group Inc.	859	107	116
Xcel Energy Inc.	4,484	359	435
Total United States Common Stock		16,887	21,086
Global Common Stock			
Australia			
Atlas Arteria Ltd. Unit	91,901	549	388
Qube Holdings Ltd.	234,990	639	830
Transurban Group Stapled Security Units	114,300	1,390	1,362
Austria			
EVN AG	5,101	206	167
Verbund AG	2,203	248	230
Belgium			
Elia Group SA	218	33	24
Proximus Group	2,921	30	22
Bermuda			
BW LPG Ltd.	5,620	133	89
Cosco Pacific Ltd.	64,000	62	54
Liberty Global Ltd. NPV Class C	8,238	127	156
Liberty Latin America Ltd. Class A	9,873	127	90
Shenzhen International Holdings Ltd.	55,500	67	74
Yuxiu Transport Infrastructure Ltd.	48,000	35	34
Brazil			
Companhia de Saneamento Basico do Estado de Sao Paulo	18,777	410	387

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
China			
Anhui Expressway Co. Ltd.	40,000	57	79
CGN Power Co. Ltd.	595,000	229	314
China Longyuan Power Group Corp.	126,000	159	150
Jiangsu Expressway Co. Ltd.	396,000	533	629
Shenzhen Expressway Corp. Ltd.	271,360	331	368
Zhejiang Expressway Co. Ltd.	448,000	447	463
Denmark			
Svitzer AS	604	32	27
France			
Aéroports de Paris	2,078	375	346
Engie SA	33,846	693	772
Gaztransport Et Technigaz	152	30	29
Getlink SE	35,676	796	818
Germany			
Deutsche Telekom AG	28,662	858	1,233
Fraport AG	5,474	346	477
Hong Kong			
China Merchants Holdings International Co. Ltd.	170,000	359	435
Italy			
A2A SPA	80,210	235	256
ACEA SPA	951	25	26
Enav SPA	21,792	126	133
Enel SPA	111,883	1,008	1,151
Hera SPA	12,123	63	62
IREN SPA	9,254	28	26
Italgas SPA	3,153	24	25
Japan			
Hokuriku Electric Power Co.	14,800	135	116

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Japan (continued)			
Japan Airport Terminal Co. Ltd.	10,000	564	454
Kamigumi Co. Ltd.	900	26	28
Kansai Electric Power Company Inc.	3,500	61	57
KDDI Corp.	4,000	174	183
Osaka Gas Co. Ltd.	2,600	77	82
Shizuoka Gas Co. Ltd.	6,400	56	63
Toho Gas Co. Ltd.	1,700	67	66
Tohoku Electric Power Co. Inc.	13,100	140	141
Luxembourg			
d'Amico International Shipping SA	13,254	118	80
Millicom International Cellular SA	4,908	179	173
Marshall Islands			
Dorian LPG Ltd.	2,850	150	100
Mexico			
Grupo Aeroportuario del Centro Norte SAB de CV ADR	4,534	382	447
Grupo Aeroportuario del Pacifico SAB de CV ADR	4,035	737	1,015
Grupo Aeroportuario del Sureste SAB de CV ADR	2,276	693	843
Netherlands			
Koninklijke Vopak NV	1,424	89	90
New Zealand			
Auckland International Airport Ltd.	78,384	499	549
Mercury NZ Ltd.	5,427	30	26
Norway			
Telenor ASA	10,461	178	168
Portugal			
NOS SGPS SA	8,521	43	42

Global Infrastructure Equity Fund (London Capital) SF515

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Singapore			
Hutchison Port Holdings Trust Unit	449,400	109	106
SATS Ltd.	167,800	521	643
Sembcorp Industries Ltd.	19,400	87	113
Spain			
Aena SM	8,425	1,742	2,476
Endesa SA	6,707	197	207
Iberdrola SA	75,437	1,033	1,494
Telefonica SA	4,943	28	29
Sweden			
AcadeMedia AB	13,963	94	122
Ambea AB	3,880	46	49
Attendo AB	10,550	62	70
Switzerland			
Flughafen Zuerich AG	2,197	533	757
United Kingdom			
Airtel Africa PLC	14,534	29	30
Centrica PLC	35,604	81	86
National Grid PLC	41,551	760	710
Telecom Plus PLC	3,620	109	112
Total Global Common Stock		20,639	23,453
Total Stocks		41,282	48,910
Transaction Costs (note 2)		(47)	
Total Investments		41,235	48,910

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Infrastructure Equity Fund (London Capital) SF515 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 24,230	\$ 136	\$ 24,366	\$ 244
Euro	10,215	—	10,215	102
Hong Kong Dollar	2,600	—	2,600	26
Australian Dollar	2,580	—	2,580	26
Other Currencies	4,914	—	4,914	49
Total	\$ 44,539	\$ 136	\$ 44,675	\$ 447
As Percent of Net Assets Attributable to Contractholders				90.5%
				0.9%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 35,023	\$ (4)	\$ 35,019	\$ 350
Euro	19,596	13	19,609	196
Australian Dollar	4,625	—	4,625	46
Japanese Yen	3,886	—	3,886	39
Other Currencies	8,977	55	9,032	91
Total	\$ 72,107	\$ 64	\$ 72,171	\$ 722
As Percent of Net Assets Attributable to Contractholders				93.1%
				0.9%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$489 (\$772 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024				
	Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total	
Stocks	\$ 42,402	\$ 6,508	\$ —	\$ 48,910	
Total assets measured at fair value	\$ 42,402	\$ 6,508	\$ —	\$ 48,910	

<u>Assets measured at fair value</u>	2023				
	Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total	
Stocks	\$ 77,174	\$ 38	\$ —	\$ 77,212	
Total assets measured at fair value	\$ 77,174	\$ 38	\$ —	\$ 77,212	

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

Global Infrastructure Equity Fund (London Capital) SF515

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	252,898	278,486	266,399	206,020	192,222	5,609	5,162	4,825	3,637	3,162
75/100 guarantee policy	593,625	689,655	715,777	429,749	453,474	12,684	12,357	12,573	7,383	7,283
100/100 guarantee policy	72,174	84,778	92,184	73,802	63,880	1,462	1,445	1,545	1,214	985
PS1 75/75 guarantee policy	266,335	241,561	255,793	188,364	151,700	6,349	4,791	4,934	3,526	2,633
PS1 75/100 guarantee policy	756,112	773,969	751,915	358,765	227,608	17,308	14,787	14,019	6,512	3,845
PS1 100/100 guarantee policy	89,287	60,341	98,592	34,882	33,026	1,931	1,094	1,752	606	537
PS2 75/75 guarantee policy	13,927	11,921	15,934	17,378	11,213	453	314	399	412	240
PS2 75/100 guarantee policy	46,397	40,043	66,270	63,446	31,985	1,507	1,055	1,657	1,502	685
PS2 100/100 guarantee policy	17,096	17,842	19,367	19,590	17,988	556	471	485	464	385
PS 75/75 guarantee policy	10,521	27,790	33,855	19,299	9,491	149	325	383	211	95
PS 75/100 guarantee policy	29,129	39,670	48,832	46,806	16,195	404	456	545	505	162
PPS 75/75 guarantee policy	9,559	9,055	17,076	12,673	3,254	140	109	197	140	33
PPS 75/100 guarantee policy	57,422	55,604	21,487	15,862	4,380	820	656	245	174	44

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	22.18	18.54	18.11	17.66	16.45	3.64	0.43
75/100 guarantee policy	21.37	17.92	17.57	17.18	16.06	3.45	0.35
100/100 guarantee policy	20.25	17.04	16.76	16.45	15.43	3.21	0.28
PS1 75/75 guarantee policy	23.84	19.83	19.29	18.72	17.36	4.01	0.54
PS1 75/100 guarantee policy	22.89	19.11	18.64	18.15	16.89	3.78	0.47
PS1 100/100 guarantee policy	21.63	18.14	17.78	17.38	16.25	3.49	0.36
PS2 75/75 guarantee policy	32.51	26.37	25.02	23.68	21.43	6.14	1.35
PS2 75/100 guarantee policy	32.48	26.35	25.01	23.67	21.41	6.13	1.34
PS2 100/100 guarantee policy	32.51	26.37	25.02	23.68	21.43	6.14	1.35
PS 75/75 guarantee policy	14.17	11.71	11.32	10.91	10.06	2.46	0.39
PS 75/100 guarantee policy	13.87	11.50	11.15	10.79	9.97	2.37	0.35
PPS 75/75 guarantee policy	14.60	12.01	11.55	11.09	10.17	2.59	0.46
PPS 75/100 guarantee policy	14.29	11.79	11.38	10.96	10.09	2.50	0.41

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Infrastructure Equity Fund (London Capital) SF515

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Infrastructure Equity Fund (London Capital) SF515

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.97	2.92	2.95	2.94	2.91
75/100 guarantee policy	3.31	3.25	3.30	3.27	3.24
100/100 guarantee policy	3.64	3.58	3.61	3.60	3.57
PS1 75/75 guarantee policy	2.51	2.47	2.49	2.48	2.46
PS1 75/100 guarantee policy	2.84	2.80	2.84	2.81	2.78
PS1 100/100 guarantee policy	3.29	3.24	3.25	3.25	3.22
PS 75/75 guarantee policy	1.86	1.83	1.84	1.83	1.81
PS 75/100 guarantee policy	2.19	2.16	2.18	2.16	2.14
PPS 75/75 guarantee policy	1.39	1.37	1.38	1.37	1.36
PPS 75/100 guarantee policy	1.73	1.70	1.71	1.70	1.68

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	83.97	90.74	96.38	141.60	93.16

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MAXXUM CANADIAN BALANCED FUND
(MACKENZIE) SF519

December 31, 2024

Independent Auditor's Report

To the Contractholders of Maxxum Canadian Balanced Fund (Mackenzie) SF519 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Maxxum Canadian Balanced Fund (Mackenzie) SF519

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 122	\$ 942
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	273,271	221,126
Total investments	273,271	221,126
Total assets	\$ 273,393	\$ 222,068
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	36	346
Due to brokers	—	695
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	36	1,041
Net assets attributable to contractholders	\$ 273,357	\$ 221,027

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 32,977	\$ 20,993
Miscellaneous income (loss)	—	—
Total income (loss)	32,977	20,993
Expenses		
Management fees (note 8)	3,686	2,785
Other	387	296
Total expenses	4,073	3,081
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 28,904	\$ 17,912

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 221,027	\$ 200,928
Contractholder deposits	59,494	35,355
Contractholder withdrawals	(36,068)	(33,168)
Increase (decrease) in net assets from operations attributable to contractholders	28,904	17,912
Change in net assets attributable to contractholders	52,330	20,099
Net assets attributable to contractholders - end of year	\$ 273,357	\$ 221,027

Maxxum Canadian Balanced Fund (Mackenzie) SF519

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 28,904	\$ 17,912
Adjustments		
Realized (gains) losses	(864)	239
Unrealized (gains) losses	(22,751)	(12,824)
Gross proceeds of disposition of investments	14,246	16,589
Gross payments for the purchase of investments	(33,414)	(16,006)
Distribution income of underlying mutual fund	(9,362)	(8,408)
Change in due from/to The Canada Life Assurance Company	(310)	532
Change in due from/to brokers	(695)	910
	<u>(24,246)</u>	<u>(1,056)</u>
Financing Activities		
Contractholder deposits	59,494	35,355
Contractholder withdrawals	(36,068)	(33,168)
	<u>23,426</u>	<u>2,187</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(820)	1,131
Cash, short-term deposits and overdrafts, beginning of year	942	(189)
Cash, short-term deposits and overdrafts, end of year	\$ 122	\$ 942

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Strategic Income Fund Series S *	23,307,444	245,828	273,271
Total Investments		245,828	273,271

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	2.44%
Mackenzie Global High Yield Fixed Income ETF *	2.40%
Bank of Montreal	1.58%
The Toronto-Dominion Bank	1.57%
Cash and short-term deposits	1.51%
Microsoft Corp.	1.44%
Canadian Natural Resources Ltd.	1.32%
Apple Inc.	1.24%
Canadian Pacific Kansas City Ltd.	1.19%
Enbridge Inc.	1.13%
Sun Life Financial Inc.	1.08%
Mackenzie Floating Rate Income ETF *	1.01%
Canadian National Railway Co.	0.94%
Federal Republic of Germany 2.10% 04-12-2029	0.94%
Agnico Eagle Mines Ltd.	0.92%
Intact Financial Corp.	0.92%
Suncor Energy Inc.	0.92%
Amazon.com Inc.	0.90%
NVIDIA Corp.	0.89%
JPMorgan Chase & Co.	0.84%
Manulife Financial Corp.	0.83%
The Bank of Nova Scotia	0.83%
Alphabet Inc. Class A	0.76%
Loblaw Companies Ltd.	0.75%
Charter Communications Operating LLC 5.05% 03-30-2029	0.74%

*The issuer of this security is a related company to the issuer of the Fund.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	914,385	728,823	653,375	378,129	274,386	15,450	11,033	9,185	5,803	3,852
75/100 guarantee policy	5,741,936	4,941,595	4,207,103	3,065,107	2,078,209	94,834	73,360	58,182	46,404	28,841
100/100 guarantee policy	89,343	102,569	114,030	110,493	115,720	1,444	1,491	1,545	1,641	1,578
PS1 75/75 guarantee policy	591,737	446,136	354,805	189,991	60,701	10,932	7,359	5,415	3,155	919
PS1 75/100 guarantee policy	2,416,776	1,703,424	1,421,785	977,295	395,511	43,725	27,562	21,323	15,972	5,902
PS1 100/100 guarantee policy	33,521	18,159	11,944	11,877	5,667	590	286	175	190	83
PS2 75/75 guarantee policy	66,646	9,065	4,551	3,114	4,772	1,650	196	89	65	88
PS2 75/100 guarantee policy	284,570	241,491	227,927	200,509	194,194	7,046	5,219	4,457	4,169	3,595
PS2 100/100 guarantee policy	—	—	—	—	3,689	—	—	—	—	68
PS 75/75 guarantee policy	63,002	45,744	33,687	9,736	2,580	834	536	363	113	27
PS 75/100 guarantee policy	974,040	779,973	612,224	404,295	94,955	12,676	9,023	6,526	4,665	993
PPS 75/75 guarantee policy	66,601	28,790	31,470	21,294	16,608	902	344	344	251	176
PPS 75/100 guarantee policy	295,786	216,464	220,502	161,564	13,296	3,963	2,565	2,396	1,892	141

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.90	15.14	14.06	15.35	14.04	1.76	1.08
75/100 guarantee policy	16.52	14.85	13.83	15.14	13.88	1.67	1.02
100/100 guarantee policy	16.16	14.54	13.55	14.85	13.64	1.62	0.99
PS1 75/75 guarantee policy	18.47	16.49	15.26	16.60	15.14	1.98	1.23
PS1 75/100 guarantee policy	18.09	16.18	15.00	16.34	14.92	1.91	1.18
PS1 100/100 guarantee policy	17.59	15.77	14.65	15.99	14.64	1.82	1.12
PS2 75/75 guarantee policy	24.76	21.61	19.56	20.79	18.51	3.15	2.05
PS2 75/100 guarantee policy	24.76	21.61	19.56	20.79	18.51	3.15	2.05
PS2 100/100 guarantee policy	—	—	—	—	18.51	—	—
PS 75/75 guarantee policy	13.23	11.72	10.77	11.63	10.52	1.51	0.95
PS 75/100 guarantee policy	13.01	11.57	10.66	11.54	10.46	1.44	0.91
PPS 75/75 guarantee policy	13.55	11.96	10.95	11.78	10.62	1.59	1.01
PPS 75/100 guarantee policy	13.40	11.85	10.86	11.71	10.57	1.55	0.99

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Maxxum Canadian Balanced Fund (Mackenzie) SF519 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Maxxum Canadian Balanced Fund (Mackenzie) SF519

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.61	2.60	2.65	2.70	2.70
75/100 guarantee policy	2.94	2.92	2.92	2.91	2.91
100/100 guarantee policy	3.00	2.98	3.03	3.08	3.08
PS1 75/75 guarantee policy	2.26	2.25	2.30	2.34	2.32
PS1 75/100 guarantee policy	2.43	2.41	2.46	2.50	2.48
PS1 100/100 guarantee policy	2.65	2.63	2.68	2.73	2.71
PS 75/75 guarantee policy	1.50	1.49	1.50	1.58	1.60
PS 75/100 guarantee policy	1.82	1.81	1.81	1.79	1.80
PPS 75/75 guarantee policy	1.15	1.14	1.18	1.24	1.21
PPS 75/100 guarantee policy	1.32	1.31	1.35	1.40	1.38

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.26	2.25	2.30	2.34	2.35
PS1 75/100 guarantee policy	2.43	2.41	2.46	2.50	2.51
PS1 100/100 guarantee policy	2.65	2.63	2.68	2.73	2.74
PPS 75/75 guarantee policy	1.15	1.14	1.18	1.24	1.24
PPS 75/100 guarantee policy	1.32	1.31	1.35	1.40	1.41

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.80	7.75	15.24	114.89	11.22

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SAXON BALANCED FUND (MACKENZIE) SF520

December 31, 2024

Independent Auditor's Report

To the Contractholders of Saxon Balanced Fund (Mackenzie) SF520 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Saxon Balanced Fund (Mackenzie) SF520

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	5
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	16,485	19,015
Total investments	16,485	19,015
Total assets	\$ 16,485	\$ 19,020
Liabilities		
Overdrafts	\$ 66	\$ 5
Due to The Canada Life Assurance Company (note 8)	7	9
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	73	14
Net assets attributable to contractholders	\$ 16,412	\$ 19,006

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,053	\$ 2,075
Miscellaneous income (loss)	—	—
Total income (loss)	2,053	2,075
Expenses		
Management fees (note 8)	404	449
Other	41	44
Total expenses	445	493
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,608	\$ 1,582

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 19,006	\$ 20,978
Contractholder deposits	99	97
Contractholder withdrawals	(4,301)	(3,651)
Increase (decrease) in net assets from operations attributable to contractholders	1,608	1,582
Change in net assets attributable to contractholders	(2,594)	(1,972)
Net assets attributable to contractholders - end of year	\$ 16,412	\$ 19,006

Saxon Balanced Fund (Mackenzie) SF520

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,608	\$ 1,582
Adjustments		
Realized (gains) losses	(807)	(517)
Unrealized (gains) losses	(459)	(827)
Gross proceeds of disposition of investments	4,631	4,232
Gross payments for the purchase of investments	(48)	(190)
Distribution income of underlying mutual fund	(787)	(731)
Change in due from/to The Canada Life Assurance Company	(2)	5
Change in due from/to brokers	5	(4)
	<u>4,141</u>	<u>3,550</u>
Financing Activities		
Contractholder deposits	99	97
Contractholder withdrawals	(4,301)	(3,651)
	<u>(4,202)</u>	<u>(3,554)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(61)	(4)
Cash, short-term deposits and overdrafts, beginning of year	(5)	(1)
Cash, short-term deposits and overdrafts, end of year	\$ (66)	\$ (5)

Saxon Balanced Fund (Mackenzie) SF520

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Bluewater Canadian Growth Balanced Fund Series S *	1,252,510	13,437	16,485
Total Investments		13,437	16,485

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	3.60%
Brookfield Asset Management Inc. Class A	3.23%
Stantec Inc.	3.13%
Aon PLC	2.97%
Intact Financial Corp.	2.65%
Microsoft Corp.	2.61%
Loblaw Companies Ltd.	2.55%
Roper Technologies Inc.	2.26%
Waste Connections Inc.	2.19%
TMX Group Ltd.	2.17%
Stryker Corp.	2.04%
CAE Inc.	2.03%
Apple Inc.	2.00%
Thomson Reuters Corp.	1.96%
The Toronto-Dominion Bank	1.91%
Mastercard Inc. Class A	1.83%
Accenture PLC Class A	1.73%
Altus Group Ltd.	1.72%
Schneider Electric SE	1.70%
Linde PLC [USD]	1.69%
Cadence Design Systems Inc.	1.67%
Government of Canada 2.75% 12-01-2055	1.66%
Alcon Inc. ADR	1.62%
Boyd Group Services Inc.	1.58%
Gartner Inc.	1.52%

*The issuer of this security is a related company to the issuer of the Fund.

Saxon Balanced Fund (Mackenzie) SF520

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	69,356	91,909	123,442	139,101	152,217	1,264	1,532	1,903	2,409	2,332
75/100 guarantee policy	490,149	669,680	811,510	910,863	1,044,003	8,776	10,985	12,328	15,576	15,823
100/100 guarantee policy	54,444	57,861	69,677	82,389	100,125	952	929	1,037	1,383	1,492
PS1 75/75 guarantee policy	42,022	41,162	42,597	39,751	52,240	887	791	754	787	912
PS1 75/100 guarantee policy	167,196	187,496	214,865	220,593	219,510	3,458	3,538	3,740	4,305	3,782
PS1 100/100 guarantee policy	12,843	19,773	20,275	13,709	6,102	258	364	344	262	103
PS2 75/75 guarantee policy	5,910	9,734	10,220	9,235	10,090	167	245	231	229	215
PS2 75/100 guarantee policy	23,052	24,751	28,286	30,298	31,556	650	622	641	751	673

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	18.23	16.67	15.42	17.32	15.32	1.56	1.25
75/100 guarantee policy	17.90	16.40	15.19	17.10	15.16	1.50	1.21
100/100 guarantee policy	17.49	16.05	14.89	16.78	14.90	1.44	1.16
PS1 75/75 guarantee policy	21.10	19.22	17.70	19.81	17.46	1.88	1.52
PS1 75/100 guarantee policy	20.68	18.87	17.41	19.52	17.23	1.81	1.46
PS1 100/100 guarantee policy	20.10	18.38	16.99	19.09	16.89	1.72	1.39
PS2 75/75 guarantee policy	28.19	25.12	22.64	24.78	21.33	3.07	2.48
PS2 75/100 guarantee policy	28.20	25.14	22.65	24.79	21.34	3.06	2.49

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Saxon Balanced Fund (Mackenzie) SF520 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Saxon Balanced Fund (Mackenzie) SF520

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Saxon Balanced Fund (Mackenzie) SF520

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.60	2.58	2.63	2.69	2.69
75/100 guarantee policy	2.77	2.74	2.81	2.90	2.90
100/100 guarantee policy	2.92	2.89	2.98	3.07	3.07
PS1 75/75 guarantee policy	2.20	2.18	2.24	2.35	2.31
PS1 75/100 guarantee policy	2.36	2.34	2.41	2.51	2.48
PS1 100/100 guarantee policy	2.58	2.56	2.63	2.71	2.71

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.20	2.18	2.24	2.35	2.34
PS1 75/100 guarantee policy	2.36	2.34	2.41	2.51	2.51
PS1 100/100 guarantee policy	2.58	2.56	2.63	2.71	2.74

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.27	0.95	1.82	0.56	1.65

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SENTINEL INCOME FUND (MACKENZIE) SF521

December 31, 2024

Independent Auditor's Report

To the Contractholders of Sentinel Income Fund (Mackenzie) SF521 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Sentinel Income Fund (Mackenzie) SF521

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	55
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	242,509	287,987
Total investments	242,509	287,987
Total assets	\$ 242,509	\$ 288,042
Liabilities		
Overdrafts	\$ 210	\$ 223
Due to The Canada Life Assurance Company (note 8)	343	57
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	553	280
Net assets attributable to contractholders	\$ 241,956	\$ 287,762

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 24,114	\$ 24,574
Miscellaneous income (loss)	—	—
Total income (loss)	24,114	24,574
Expenses		
Management fees (note 8)	4,630	5,524
Other	537	641
Total expenses	5,167	6,165
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 18,947	\$ 18,409

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 287,762	\$ 347,554
Contractholder deposits	87	130
Contractholder withdrawals	(64,840)	(78,331)
Increase (decrease) in net assets from operations attributable to contractholders	18,947	18,409
Change in net assets attributable to contractholders	(45,806)	(59,792)
Net assets attributable to contractholders - end of year	\$ 241,956	\$ 287,762

Sentinel Income Fund (Mackenzie) SF521

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 18,947	\$ 18,409
Adjustments		
Realized (gains) losses	1,490	6,494
Unrealized (gains) losses	(15,767)	(19,887)
Gross proceeds of disposition of investments	69,734	84,392
Gross payments for the purchase of investments	(142)	(99)
Distribution income of underlying mutual fund	(9,837)	(11,181)
Change in due from/to The Canada Life Assurance Company	286	(55)
Change in due from/to brokers	55	122
	<u>64,766</u>	<u>78,195</u>
Financing Activities		
Contractholder deposits	87	130
Contractholder withdrawals	(64,840)	(78,331)
	<u>(64,753)</u>	<u>(78,201)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	13	(6)
Cash, short-term deposits and overdrafts, beginning of year	(223)	(217)
Cash, short-term deposits and overdrafts, end of year	\$ (210)	\$ (223)

Sentinel Income Fund (Mackenzie) SF521

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Income Fund Series S *	28,310,978	238,447	242,509
Total Investments		238,447	242,509

Top 25 Holdings

Security Description	% of Total
Province of Ontario 4.15% 06-02-2034	2.81%
Cash and short-term deposits	2.36%
Government of Canada 2.75% 12-01-2055	2.32%
Province of Ontario 3.80% 12-02-2034	2.26%
Province of Quebec 4.40% 12-01-2055	2.04%
Province of Quebec 4.45% 09-01-2034	1.56%
United States Treasury Inflation Index 2.125% 02-15-2054	1.40%
Real Return	1.25%
Royal Bank of Canada	1.25%
Government of New Zealand 3.50% 04-14-2033	1.20%
Government of Canada 3.00% 06-01-2034	1.08%
Rogers Communications Inc. 5.00% 12-17-2081	0.99%
Province of Ontario 4.60% 12-02-2055	0.98%
Province of Ontario 4.15% 12-02-2054	0.88%
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	0.86%
Bank of Montreal	0.82%
Enbridge Inc. 5.375% 09-27-2077	0.82%
The Toronto-Dominion Bank	0.81%
Mackenzie Global Corporate Fixed Income Fund Series R *	0.76%
Mackenzie High Quality Floating Rate Fund Series R *	0.73%
Apple Inc.	0.72%
Microsoft Corp.	0.72%
Canadian Natural Resources Ltd.	0.67%
Mackenzie Global Sustainable Bond ETF *	0.67%
Mackenzie Canadian Government Long Bond Index ETF *	0.62%
Canadian Pacific Kansas City Ltd.	0.61%

*The issuer of this security is a related company to the issuer of the Fund.

Sentinel Income Fund (Mackenzie) SF521

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,573,814	2,136,111	2,737,809	3,007,019	1,729,101	25,438	32,134	38,849	47,680	26,570
75/100 guarantee policy	6,390,733	8,135,886	10,037,888	10,467,270	6,463,007	102,308	121,292	141,237	164,664	98,584
100/100 guarantee policy	152,562	206,907	288,903	338,190	292,999	2,403	3,036	4,003	5,242	4,406
PS1 75/75 guarantee policy	1,339,798	1,642,955	2,239,879	2,682,395	1,163,008	21,541	24,539	31,499	42,073	17,645
PS1 75/100 guarantee policy	3,609,139	4,661,102	6,215,457	5,873,049	2,694,592	57,649	69,205	86,935	91,673	40,707
PS1 100/100 guarantee policy	24,505	21,275	52,487	136,527	85,879	385	311	723	2,101	1,280
PS2 75/75 guarantee policy	77,623	86,880	152,100	132,206	47,935	1,625	1,655	2,673	2,539	872
PS2 75/100 guarantee policy	520,478	596,919	695,708	696,309	429,807	10,922	11,400	12,257	13,403	7,837
PS2 100/100 guarantee policy	—	—	9,783	9,924	52,965	—	—	172	191	965
PS 75/75 guarantee policy	85,716	116,681	181,839	215,325	132,910	1,096	1,373	1,997	2,613	1,546
PS 75/100 guarantee policy	921,483	1,165,414	1,480,938	1,646,314	958,339	11,745	13,678	16,224	19,941	11,131
PPS 75/75 guarantee policy	190,449	219,678	289,870	364,355	151,603	2,468	2,615	3,212	4,454	1,773
PPS 75/100 guarantee policy	338,299	549,108	702,503	906,606	286,543	4,367	6,515	7,765	11,059	3,346
PPS 100/100 guarantee policy	738	741	745	133,107	8,058	9	9	8	1,621	94

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.16	15.04	14.19	15.86	15.37	1.12	0.85
75/100 guarantee policy	16.01	14.91	14.07	15.73	15.25	1.10	0.84
100/100 guarantee policy	15.75	14.67	13.86	15.50	15.04	1.08	0.81
PS1 75/75 guarantee policy	16.08	14.94	14.06	15.68	15.17	1.14	0.88
PS1 75/100 guarantee policy	15.97	14.85	13.99	15.61	15.11	1.12	0.86
PS1 100/100 guarantee policy	15.72	14.62	13.78	15.39	14.90	1.10	0.84
PS2 75/75 guarantee policy	20.93	19.05	17.58	19.20	18.19	1.88	1.47
PS2 75/100 guarantee policy	20.98	19.10	17.62	19.25	18.23	1.88	1.48
PS2 100/100 guarantee policy	—	—	17.60	19.23	18.22	—	—
PS 75/75 guarantee policy	12.79	11.77	10.98	12.14	11.63	1.02	0.79
PS 75/100 guarantee policy	12.75	11.74	10.95	12.11	11.61	1.01	0.79
PPS 75/75 guarantee policy	12.96	11.90	11.08	12.22	11.69	1.06	0.82
PPS 75/100 guarantee policy	12.91	11.86	11.05	12.20	11.68	1.05	0.81
PPS 100/100 guarantee policy	12.87	11.83	11.03	12.18	11.66	1.04	0.80

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Sentinel Income Fund (Mackenzie) SF521 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Sentinel Income Fund (Mackenzie) SF521

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Sentinel Income Fund (Mackenzie) SF521

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.25	2.23	2.26	2.26	2.25
75/100 guarantee policy	2.30	2.28	2.31	2.32	2.30
100/100 guarantee policy	2.36	2.34	2.37	2.38	2.36
PS1 75/75 guarantee policy	2.06	2.04	2.07	2.08	2.03
PS1 75/100 guarantee policy	2.12	2.10	2.12	2.13	2.08
PS1 100/100 guarantee policy	2.17	2.15	2.21	2.19	2.15
PS 75/75 guarantee policy	1.12	1.12	1.14	1.16	1.15
PS 75/100 guarantee policy	1.18	1.17	1.20	1.21	1.20
PPS 75/75 guarantee policy	0.94	0.93	0.96	0.97	0.93
PPS 75/100 guarantee policy	0.99	0.99	1.01	1.02	0.99
PPS 100/100 guarantee policy	1.04	1.04	1.11	1.07	1.05

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.06	2.04	2.07	2.08	2.06
PS1 75/100 guarantee policy	2.12	2.10	2.12	2.13	2.11
PS1 100/100 guarantee policy	2.17	2.15	2.21	2.19	2.18
PPS 75/75 guarantee policy	0.94	0.93	0.96	0.97	0.96
PPS 75/100 guarantee policy	0.99	0.99	1.01	1.02	1.02
PPS 100/100 guarantee policy	1.04	1.04	1.11	1.07	1.08

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.05	0.03	11.47	1.68	4.14

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. DIVIDEND FUND (GWLIM) SF522

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Dividend Fund (GWLIM) SF522 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Dividend Fund (GWLIM) SF522

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 9,976	\$ 3,346
Investment income due and accrued	474	279
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	—	1
Investments		
Bonds	—	—
Stocks	753,858	405,035
Investment fund units	—	—
Total investments	753,858	405,035
Total assets	\$ 764,308	\$ 408,661
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	96	61
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	96	61
Net assets attributable to contractholders	\$ 764,212	\$ 408,600

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 159,141	\$ 42,233
Miscellaneous income (loss)	163	(51)
Total income (loss)	159,304	42,182
Expenses		
Management fees (note 7)	11,233	8,180
Transaction costs	141	141
Withholding taxes	1,324	1,141
Other	1,154	834
Total expenses	13,852	10,296
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 145,452	\$ 31,886

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 408,600	\$ 370,260
Contractholder deposits	266,814	48,721
Contractholder withdrawals	(56,654)	(42,267)
Increase (decrease) in net assets from operations attributable to contractholders	145,452	31,886
Change in net assets attributable to contractholders	355,612	38,340
Net assets attributable to contractholders - end of year	\$ 764,212	\$ 408,600

U.S. Dividend Fund (GWLIM) SF522

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 145,452	\$ 31,886
Adjustments		
Realized (gains) losses	(47,116)	(6,896)
Unrealized (gains) losses	(102,072)	(26,726)
Gross proceeds of disposition of investments	211,520	168,708
Gross payments for the purchase of investments	(411,155)	(183,604)
Change in investment income due and accrued	(195)	114
Change in due from/to The Canada Life Assurance Company	35	62
Change in due from/to brokers	—	—
Change in due from/to outside parties	1	(1)
	(203,530)	(16,457)
Financing Activities		
Contractholder deposits	266,814	48,721
Contractholder withdrawals	(56,654)	(42,267)
	210,160	6,454
Net increase (decrease) in cash, short-term deposits and overdrafts	6,630	(10,003)
Cash, short-term deposits and overdrafts, beginning of year	3,346	13,349
Cash, short-term deposits and overdrafts, end of year	\$ 9,976	\$ 3,346
Supplementary cash flow information		
Dividend income received	\$ 9,250	\$ 8,331

U.S. Dividend Fund (GWLIM) SF522

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	125,139	22,953	34,061
AT&T Inc.	380,887	10,309	12,470
Consumer Discretionary			
Amazon.com Inc.	99,049	23,438	31,244
Dick's Sporting Goods Inc.	26,712	6,260	8,789
McDonald's Corp.	25,394	8,980	10,584
Polo Ralph Lauren Corp. Class A	41,360	9,585	13,736
Texas Roadhouse Inc.	13,881	2,725	3,601
The Home Depot Inc.	25,207	12,353	14,098
The TJX Companies Inc.	77,404	8,576	13,445
Consumer Staples			
Mondelez International Inc.	90,626	7,742	7,783
The Coca-Cola Co.	91,361	7,484	8,178
The Procter & Gamble Co.	36,982	9,010	8,914
Walmart Inc.	97,606	7,365	12,680
Energy			
Diamondback Energy Inc.	29,965	4,971	7,058
Expand Energy Corp.	35,863	4,168	5,133
Exxon Mobil Corp.	91,730	12,884	14,187
The Williams Companies Inc.	165,471	9,310	12,876
Financials			
Ares Management Corp.	15,350	3,846	3,907
Arthur J. Gallagher & Co.	31,144	8,964	12,711
Bank of America Corp.	225,180	11,132	14,230
BlackRock Inc.	11,534	12,472	17,000
Citigroup Inc.	106,587	8,904	10,787
JPMorgan Chase & Co.	51,046	10,569	17,593
Morgan Stanley	89,689	11,280	16,212
PNC Financial Services Group Inc.	28,136	7,339	7,802
The Blackstone Group Inc.	52,510	8,401	13,018

U.S. Dividend Fund (GWLIM) SF522

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Health Care			
AbbVie Inc.	70,799	14,459	18,089
Boston Scientific Corp.	107,176	8,931	13,764
Bristol-Myers Squibb Co.	77,404	5,844	6,295
Eli Lilly and Co.	4,915	2,996	5,456
HCA Healthcare Inc.	8,834	4,607	3,812
Johnson & Johnson Inc.	35,776	7,372	7,439
Merck & Co. Inc.	63,303	8,492	9,054
Stryker Corp.	17,766	9,694	9,197
Industrials			
Honeywell International Inc.	16,352	4,528	5,314
Jacobs Solutions Inc.	44,049	6,883	8,463
Parker Hannifin Corp.	17,150	10,506	15,684
Republic Services Inc.	44,396	9,279	12,842
Union Pacific Corp.	28,246	9,066	9,261
Information Technology			
Analog Devices Inc.	40,509	10,027	12,375
Apple Inc.	112,123	29,333	40,372
Broadcom Inc.	79,539	9,621	26,514
IBM Corp.	44,220	10,477	13,977
Mastercard Inc. Class A	16,685	9,610	12,632
Microsoft Corp.	64,036	27,604	38,809
Motorola Solutions Inc.	22,760	9,105	15,126
NVIDIA Corp.	103,442	10,260	19,973
NXP Semiconductors NV	24,692	7,414	7,379
Salesforce Inc.	21,378	10,135	10,277
ServiceNow Inc.	8,920	10,482	13,596
Materials			
Agnico Eagle Mines Ltd.	87,180	7,489	9,804
Eastman Chemical Co.	24,621	3,687	3,233
Southern Copper Corp.	54,252	7,631	7,109

U.S. Dividend Fund (GWLIM) SF522

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Real Estate			
BXP Inc.	65,176	6,471	6,968
Equinix Inc. REIT	5,658	7,418	7,671
Public Storage REIT	18,581	8,634	8,000
Utilities			
Sempra	138,103	14,277	17,418
Total United States Common Stock		553,352	728,000
Global Common Stock			
Ireland			
Accenture PLC Class A	20,216	8,114	10,225
Eaton Corp. PLC	32,763	8,996	15,633
Total Global Common Stock		17,110	25,858
Total Stocks		570,462	753,858
Transaction Costs (note 2)		(171)	
Total Investments		570,291	753,858

U.S. Dividend Fund (GWLIM) SF522

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the U.S. Dividend Fund (GWLIM) SF522 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 753,858	\$ 546	\$ 754,404	\$ 7,544
Total	\$ 753,858	\$ 546	\$ 754,404	\$ 7,544
As Percent of Net Assets Attributable to Contractholders				98.7%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 405,035	\$ (32)	\$ 405,003	\$ 4,050
Total	\$ 405,035	\$ (32)	\$ 405,003	\$ 4,050
As Percent of Net Assets Attributable to Contractholders				99.1%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$7,539 (\$4,050 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 753,858	\$ —	\$ —	\$ 753,858
Total assets measured at fair value		\$ 753,858	\$ —	\$ —	\$ 753,858

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 405,035	\$ —	\$ —	\$ 405,035
Total assets measured at fair value		\$ 405,035	\$ —	\$ —	\$ 405,035

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

U.S. Dividend Fund (GWLIM) SF522

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	2,293,475	2,135,143	2,121,100	1,772,107	1,633,977	87,777	61,414	56,337	49,597	37,748
75/100 guarantee policy	4,614,390	4,463,791	4,441,408	3,954,232	3,567,503	172,672	125,813	115,848	108,922	81,292
100/100 guarantee policy	384,135	397,581	434,956	400,940	429,896	13,929	10,889	11,055	10,791	9,598
PS1 75/75 guarantee policy	2,004,039	1,628,302	1,614,982	1,256,080	866,771	81,034	49,255	44,904	36,634	20,772
PS1 75/100 guarantee policy	4,825,559	3,632,624	3,644,677	2,712,543	2,041,675	189,084	106,778	98,747	77,300	47,938
PS1 100/100 guarantee policy	238,972	158,544	176,287	169,379	150,434	8,951	4,472	4,601	4,668	3,429
PS2 75/75 guarantee policy	219,776	162,408	159,546	127,875	132,317	11,429	6,180	5,459	4,490	3,735
PS2 75/100 guarantee policy	552,398	548,259	539,244	449,609	341,514	28,728	20,862	18,452	15,787	9,639
PS2 100/100 guarantee policy	16,510	16,607	16,778	13,795	13,368	858	631	573	484	377
PS 75/75 guarantee policy	66,430	80,156	83,936	44,857	28,703	1,400	1,256	1,201	669	349
PS 75/100 guarantee policy	238,483	281,790	291,836	135,030	86,713	4,955	4,362	4,135	1,998	1,050
PPS 75/75 guarantee policy	210,992	236,994	256,778	132,122	54,332	4,580	3,806	3,749	2,001	669
PPS 75/100 guarantee policy	451,941	426,362	356,297	210,818	122,103	9,637	6,745	5,139	3,163	1,493
PPS 100/100 guarantee policy	4,138	4,045	4,214	2,589	917	86	63	60	38	11

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	38.27	28.76	26.56	27.99	23.10	9.51	2.20
75/100 guarantee policy	37.42	28.19	26.08	27.55	22.79	9.23	2.11
100/100 guarantee policy	36.26	27.39	25.42	26.91	22.33	8.87	1.97
PS1 75/75 guarantee policy	40.44	30.25	27.80	29.17	23.96	10.19	2.45
PS1 75/100 guarantee policy	39.18	29.39	27.09	28.50	23.48	9.79	2.30
PS1 100/100 guarantee policy	37.46	28.21	26.10	27.56	22.79	9.25	2.11
PS2 75/75 guarantee policy	52.00	38.05	34.22	35.11	28.22	13.95	3.83
PS2 75/100 guarantee policy	52.01	38.05	34.22	35.11	28.22	13.96	3.83
PS2 100/100 guarantee policy	51.96	38.02	34.19	35.08	28.20	13.94	3.83
PS 75/75 guarantee policy	21.08	15.66	14.31	14.91	12.17	5.42	1.35
PS 75/100 guarantee policy	20.78	15.48	14.17	14.80	12.11	5.30	1.31
PPS 75/75 guarantee policy	21.71	16.06	14.60	15.15	12.31	5.65	1.46
PPS 75/100 guarantee policy	21.32	15.82	14.42	15.00	12.23	5.50	1.40
PPS 100/100 guarantee policy	20.80	15.49	14.18	14.81	12.11	5.31	1.31

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

U.S. Dividend Fund (GWLIM) SF522

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Dividend Fund (GWLIM) SF522

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.68	2.65	2.65	2.65	2.63
75/100 guarantee policy	2.90	2.87	2.87	2.86	2.85
100/100 guarantee policy	3.18	3.15	3.15	3.14	3.12
PS1 75/75 guarantee policy	2.22	2.20	2.19	2.19	2.18
PS1 75/100 guarantee policy	2.49	2.47	2.47	2.46	2.45
PS1 100/100 guarantee policy	2.88	2.86	2.86	2.85	2.84
PS 75/75 guarantee policy	1.57	1.56	1.55	1.55	1.54
PS 75/100 guarantee policy	1.79	1.78	1.76	1.77	1.76
PPS 75/75 guarantee policy	1.11	1.10	1.09	1.09	1.08
PPS 75/100 guarantee policy	1.39	1.37	1.37	1.37	1.36
PPS 100/100 guarantee policy	1.77	1.76	1.75	1.74	1.78

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	40.85	45.80	56.47	36.03	35.17

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
FLOATING RATE INCOME FUND (MF) SF526

December 31, 2024

Independent Auditor's Report

To the Contractholders of Floating Rate Income Fund (MF) SF526 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Floating Rate Income Fund (MF) SF526

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 49	\$ 427
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	168	65
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	85,828	67,970
Total investments	85,828	67,970
Total assets	\$ 86,045	\$ 68,462
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	59
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	59
Net assets attributable to contractholders	\$ 86,045	\$ 68,403

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 7,398	\$ 6,883
Miscellaneous income (loss)	—	—
Total income (loss)	7,398	6,883
Expenses		
Management fees (note 8)	1,327	1,032
Other	149	114
Total expenses	1,476	1,146
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 5,922	\$ 5,737

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 68,403	\$ 57,687
Contractholder deposits	21,327	13,086
Contractholder withdrawals	(9,607)	(8,107)
Increase (decrease) in net assets from operations attributable to contractholders	5,922	5,737
Change in net assets attributable to contractholders	17,642	10,716
Net assets attributable to contractholders - end of year	\$ 86,045	\$ 68,403

Floating Rate Income Fund (MF) SF526

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 5,922	\$ 5,737
Adjustments		
Realized (gains) losses	409	521
Unrealized (gains) losses	336	(908)
Gross proceeds of disposition of investments	6,999	6,859
Gross payments for the purchase of investments	(17,459)	(10,137)
Distribution income of underlying mutual fund	(8,143)	(6,496)
Change in due from/to The Canada Life Assurance Company	(103)	(121)
Change in due from/to brokers	(59)	(16)
	<u>(12,098)</u>	<u>(4,561)</u>
Financing Activities		
Contractholder deposits	21,327	13,086
Contractholder withdrawals	(9,607)	(8,107)
	<u>11,720</u>	<u>4,979</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(378)	418
Cash, short-term deposits and overdrafts, beginning of year	427	9
Cash, short-term deposits and overdrafts, end of year	\$ 49	\$ 427

Floating Rate Income Fund (MF) SF526

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Floating Rate Income Fund Series S *	10,598,206	90,879	85,828
Total Investments		90,879	85,828

Top 25 Holdings

Security Description	% of Total
BMO Floating Rate High Yield ETF	6.93%
Cash and short-term deposits	3.31%
Timber Servicios Empresariales SA Term Loan B 1st Lien Floating Rate 03-29-2029	1.37%
OpenMarket Inc. Term Loan 1st Lien Floating Rate 09-17-2026	1.28%
KP Germany Erste GmbH Term Loan B 1st Lien Floating Rate 02-04-2026	1.20%
Northleaf Private Credit II LP MI 15 *	1.18%
Specialty Pharma III Inc. Term Loan B 1st Lien Floating Rate 03-31-2028	1.12%
TCP Sunbelt Acquisition Co. Term Loan B 1st Lien Sr. Floating Rate 10-24-2031	0.95%
Amneal Pharmaceuticals Inc. Term Loan 1st Lien Sr. Floating Rate 05-04-2028	0.91%
Neptune Bidco US Inc. Term Loan B 1st Lien Floating Rate 04-11-2029	0.91%
TMC Buyer Inc. Term Loan B 1st Lien Sr. Floating Rate 10-22-2031	0.91%
Travel + Leisure Co. Term Loan B 1st Lien Sr. Floating Rate 12-14-2029	0.88%
Garda World Security Corp. Term Loan B 1st Lien Floating Rate 02-01-2029	0.86%
Internet Brands MH Sub I LLC Term Loan B 1st Lien Floating Rate 05-03-2028	0.86%
Amynta Agency Borrower Inc. Term Loan B 1st Lien Floating Rate 02-28-2028	0.85%
INEOS US Finance LLC Term Loan B 1st Lien Floating Rate 02-10-2030	0.85%
A-Gas FinCo Inc. Term Loan B 1st Lien Sr. Floating Rate 12-13-2029	0.80%
Jadex Inc. Term Loan 1st Lien Floating Rate 02-18-2028	0.80%
MeridianLink Inc. Term Loan B 1st Lien Floating Rate 10-28-2028	0.79%
AP Core Holdings II LLC Term Loan B2 1st Lien Floating Rate 09-01-2027	0.78%
Conair Holdings LLC Term Loan B 1st Lien Floating Rate 05-13-2028	0.78%
Plaze Inc. Term Loan 1st Lien Floating Rate 08-03-2026	0.78%
Vector WP Holdco Inc. Term Loan B 1st Lien Floating Rate 10-08-2028	0.78%
Aspire Bakeries Holdings LLC Term Loan B 1st Lien Sr. Floating Rate 12-12-2030	0.76%
DS Parent Inc. Term Loan B 1st Lien Sr. Floating Rate 12-16-2030	0.76%

*The issuer of this security is a related company to the issuer of the Fund.

Floating Rate Income Fund (MF) SF526

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	804,093	779,308	764,879	608,857	490,309	10,574	9,525	8,544	7,275	5,678
75/100 guarantee policy	2,073,370	1,733,168	1,646,587	1,221,281	1,008,972	26,981	20,986	18,242	14,488	11,613
100/100 guarantee policy	123,237	110,909	106,096	91,658	83,217	1,577	1,323	1,160	1,075	948
PS1 75/75 guarantee policy	697,805	638,782	523,252	477,398	228,353	9,724	8,226	6,123	5,941	2,738
PS1 75/100 guarantee policy	1,771,005	1,321,118	1,217,699	855,401	485,167	24,412	16,847	14,127	10,565	5,781
PS1 100/100 guarantee policy	197,357	142,457	65,685	60,855	43,088	2,676	1,790	752	743	509
PS2 75/75 guarantee policy	55,190	108,768	106,511	205,104	61,277	908	1,625	1,422	2,864	811
PS2 75/100 guarantee policy	228,090	202,210	223,166	137,818	105,427	3,753	3,022	2,980	1,924	1,395
PS 75/75 guarantee policy	9,801	15,476	17,121	11,528	16,001	115	167	168	121	161
PS 75/100 guarantee policy	177,679	186,122	237,969	72,944	36,151	2,063	2,000	2,326	759	363
PPS 75/75 guarantee policy	75,582	60,564	52,854	28,593	8,639	918	676	533	305	88
PPS 75/100 guarantee policy	189,918	195,472	114,871	56,448	7,542	2,290	2,168	1,153	600	77
PPS 100/100 guarantee policy	4,508	4,354	15,728	2,688	769	54	48	157	28	8

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.15	12.22	11.17	11.95	11.58	0.93	1.05
75/100 guarantee policy	13.01	12.11	11.08	11.86	11.51	0.90	1.03
100/100 guarantee policy	12.80	11.93	10.93	11.73	11.40	0.87	1.00
PS1 75/75 guarantee policy	13.93	12.88	11.70	12.44	11.99	1.05	1.18
PS1 75/100 guarantee policy	13.78	12.75	11.60	12.35	11.92	1.03	1.15
PS1 100/100 guarantee policy	13.56	12.57	11.45	12.21	11.80	0.99	1.12
PS2 75/75 guarantee policy	16.45	14.95	13.35	13.96	13.23	1.50	1.60
PS2 75/100 guarantee policy	16.45	14.95	13.35	13.96	13.23	1.50	1.60
PS 75/75 guarantee policy	11.69	10.81	9.82	10.45	10.07	0.88	0.99
PS 75/100 guarantee policy	11.61	10.74	9.78	10.41	10.04	0.87	0.96
PPS 75/75 guarantee policy	12.14	11.16	10.08	10.66	10.22	0.98	1.08
PPS 75/100 guarantee policy	12.06	11.09	10.03	10.62	10.19	0.97	1.06
PPS 100/100 guarantee policy	11.93	10.99	9.96	10.57	10.15	0.94	1.03

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Floating Rate Income Fund (MF) SF526 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Floating Rate Income Fund (MF) SF526

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Floating Rate Income Fund (MF) SF526

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.30	2.26	2.27	2.26	2.24
75/100 guarantee policy	2.42	2.37	2.38	2.37	2.35
100/100 guarantee policy	2.58	2.54	2.55	2.53	2.52
PS1 75/75 guarantee policy	1.73	1.69	1.70	1.68	1.65
PS1 75/100 guarantee policy	1.84	1.80	1.81	1.79	1.77
PS1 100/100 guarantee policy	2.01	1.97	1.98	1.96	1.93
PS 75/75 guarantee policy	1.75	1.71	1.71	1.71	1.70
PS 75/100 guarantee policy	1.86	1.82	1.82	1.81	1.80
PPS 75/75 guarantee policy	1.17	1.14	1.14	1.13	1.10
PPS 75/100 guarantee policy	1.28	1.25	1.25	1.23	1.22
PPS 100/100 guarantee policy	1.45	1.41	1.41	1.40	1.40

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	1.73	1.69	1.70	1.68	1.67
PS1 75/100 guarantee policy	1.84	1.80	1.81	1.79	1.79
PS1 100/100 guarantee policy	2.01	1.97	1.98	1.96	1.95
PPS 75/75 guarantee policy	1.17	1.14	1.14	1.13	1.12
PPS 75/100 guarantee policy	1.28	1.25	1.25	1.23	1.24
PPS 100/100 guarantee policy	1.45	1.41	1.41	1.40	1.42

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	8.98	11.04	21.62	97.43	32.42

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. LOW VOLATILITY FUND (P) SF527

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Low Volatility Fund (P) SF527 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Low Volatility Fund (P) SF527

(in Canadian \$ thousands)

Fund Manager: Putnam Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 3	\$ 43
Investment income due and accrued	2	4
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	4,844	4,130
Investment fund units	—	—
Total investments	4,844	4,130
Total assets	\$ 4,849	\$ 4,177
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	153	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	153	—
Net assets attributable to contractholders	\$ 4,696	\$ 4,177

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,266	\$ 746
Miscellaneous income (loss)	2	2
Total income (loss)	1,268	748
Expenses		
Management fees (note 7)	116	99
Transaction costs	1	1
Withholding taxes	9	10
Other	12	10
Total expenses	138	120
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,130	\$ 628

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 4,177	\$ 4,129
Contractholder deposits	4	29
Contractholder withdrawals	(615)	(609)
Increase (decrease) in net assets from operations attributable to contractholders	1,130	628
Change in net assets attributable to contractholders	519	48
Net assets attributable to contractholders - end of year	\$ 4,696	\$ 4,177

U.S. Low Volatility Fund (P) SF527

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,130	\$ 628
Adjustments		
Realized (gains) losses	(629)	(50)
Unrealized (gains) losses	(571)	(618)
Gross proceeds of disposition of investments	2,669	2,152
Gross payments for the purchase of investments	(2,183)	(1,503)
Change in investment income due and accrued	2	—
Change in due from/to The Canada Life Assurance Company	153	(1)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	571	608
Financing Activities		
Contractholder deposits	4	29
Contractholder withdrawals	(615)	(609)
	(611)	(580)
Net increase (decrease) in cash, short-term deposits and overdrafts	(40)	28
Cash, short-term deposits and overdrafts, beginning of year	43	15
Cash, short-term deposits and overdrafts, end of year	\$ 3	\$ 43
Supplementary cash flow information		
Dividend income received	\$ 68	\$ 76

U.S. Low Volatility Fund (P) SF527

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	734	62	200
Meta Platforms Inc.	244	118	205
Verizon Communications Inc.	946	66	54
Consumer Discretionary			
Amazon.com Inc.	326	58	103
Chipotle Mexican Grill Inc.	795	69	69
Gentex Corp.	851	40	35
McDonald's Corp.	118	45	49
O'Reilly Automotive Inc.	14	11	24
Ross Stores Inc.	358	54	78
The TJX Companies Inc.	534	56	93
Consumer Staples			
Albertsons Companies Inc.	459	13	13
Colgate Palmolive Co.	510	52	67
Mondelez International Inc.	478	30	41
Sysco Corp.	389	40	43
The Coca-Cola Co.	943	80	84
The Procter & Gamble Co.	58	8	14
Energy			
Cheniere Energy Inc.	291	64	90
ConocoPhillips	224	33	32
Kinder Morgan Inc.	1,818	45	72
Exchange Traded Funds			
SPDR S&P 500 ETF Trust	12	9	10
Financials			
Ameriprise Financial Inc.	42	24	32
Bank of America Corp.	173	10	11
Berkshire Hathaway Inc. Class B	226	81	147
Gaming and Leisure Properties Inc.	806	51	56

U.S. Low Volatility Fund (P) SF527

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Financials (continued)			
JPMorgan Chase & Co.	411	73	142
Loews Corp.	255	17	31
MetLife Inc.	657	56	77
S&P Global Inc.	124	70	89
The Bank of New York Mellon Corp.	357	20	39
The Goldman Sachs Group Inc.	124	54	102
Health Care			
AbbVie Inc.	131	17	33
Amedisys Inc.	489	61	64
Amgen Inc.	38	10	14
Boston Scientific Corp.	701	49	90
Bristol-Myers Squibb Co.	262	21	21
Cencora Inc.	194	57	63
Eli Lilly and Co.	56	11	62
IQVIA Holdings Inc.	20	6	6
Johnson & Johnson Inc.	254	44	53
McKesson Corp.	11	6	9
Medpace Holdings Inc.	6	3	3
Merck & Co. Inc.	187	20	27
Pfizer Inc.	299	14	11
Quest Diagnostics Inc.	75	15	16
Regeneron Pharmaceuticals Inc.	12	11	12
Solventum Corp.	59	5	6
Thermo Fisher Scientific Inc.	24	8	18
Vertex Pharmaceuticals Inc.	25	7	14
Industrials			
CSX Corp.	1,432	61	66
Cummins Inc.	11	4	6
Danaher Corp.	27	8	9
General Dynamics Corp.	147	41	56
Honeywell International Inc.	24	6	8
Huntington Ingalls Industries Inc.	164	62	45

U.S. Low Volatility Fund (P) SF527

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Industrials (continued)			
Lockheed Martin Corp.	112	65	78
Wabtec Corp.	284	63	77
Waste Management Inc.	217	28	63
Information Technology			
Adobe Inc.	86	46	55
Apple Inc.	649	69	235
Cadence Design Systems Inc.	34	8	15
Cisco Systems Inc.	981	62	84
Dropbox Inc.	450	14	19
GoDaddy Inc.	367	62	104
Juniper Networks Inc.	1,286	61	69
Lam Research Corp.	300	37	31
Leidos Holdings Inc.	98	11	20
Microsoft Corp.	352	77	214
Motorola Solutions Inc.	36	17	24
NVIDIA Corp.	2,011	217	389
Qualcomm Inc.	334	76	74
Roper Technologies Inc.	94	62	70
Materials			
Ecolab Inc.	218	68	73
Real Estate			
Simon Property Group Inc.	112	22	28
VICI Properties Inc. REIT	215	9	9
Utilities			
NRG Energy Inc.	603	60	78
PPL Corp.	970	35	45
Total United States Common Stock		3,125	4,668

U.S. Low Volatility Fund (P) SF527

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock			
British Virgin Islands			
Capri Holdings Ltd.	407	20	12
Guernsey			
Amdocs Ltd.	449	52	55
Ireland			
Linde PLC	95	47	57
Netherlands			
QIAGEN NV	397	23	25
Switzerland			
Chubb Ltd.	61	21	24
United Kingdom			
Rentokil Initial PLC ADR	86	30	3
Total Global Common Stock		193	176
Total Stocks		3,318	4,844
Transaction Costs (note 2)		(1)	
Total Investments		3,317	4,844

U.S. Low Volatility Fund (P) SF527

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the U.S. Low Volatility Fund (P) SF527 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

U.S. Low Volatility Fund (P) SF527

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 4,844	\$ 2	\$ 4,846	\$ 48
Total	\$ 4,844	\$ 2	\$ 4,846	\$ 48
As Percent of Net Assets Attributable to Contractholders				103.2%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 4,130	\$ 33	\$ 4,163	\$ 42
Total	\$ 4,130	\$ 33	\$ 4,163	\$ 42
As Percent of Net Assets Attributable to Contractholders				99.7%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$48 (\$41 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

U.S. Low Volatility Fund (P) SF527

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	4,844	\$ —	\$ —	\$ 4,844
Total assets measured at fair value	\$	4,844	\$ —	\$ —	\$ 4,844

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	4,130	\$ —	\$ —	\$ 4,130
Total assets measured at fair value	\$	4,130	\$ —	\$ —	\$ 4,130

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

U.S. Low Volatility Fund (P) SF527

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	25,269	34,429	46,980	52,934	59,110	513	547	640	816	757
75/100 guarantee policy	51,012	64,136	78,062	94,401	126,991	1,018	1,004	1,049	1,439	1,610
100/100 guarantee policy	42,329	49,154	53,964	49,135	58,599	822	751	709	735	731
PS1 75/75 guarantee policy	28,359	28,075	19,081	22,391	22,705	605	467	271	358	300
PS1 75/100 guarantee policy	47,861	57,580	63,906	61,984	71,143	994	934	887	972	924
PS1 100/100 guarantee policy	25,695	16,665	16,503	34,831	38,173	511	260	221	529	483
PS2 75/100 guarantee policy	6,583	8,287	8,408	8,577	10,583	177	170	143	161	160
PS2 100/100 guarantee policy	—	—	10,043	10,293	30,192	—	—	171	193	457
PS 75/100 guarantee policy	3,063	3,099	3,138	3,184	3,202	56	44	38	43	36

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	20.29	15.89	13.61	15.42	12.80	4.40	2.28
75/100 guarantee policy	19.96	15.65	13.44	15.24	12.68	4.31	2.21
100/100 guarantee policy	19.42	15.27	13.15	14.95	12.47	4.15	2.12
PS1 75/75 guarantee policy	21.35	16.63	14.18	15.98	13.20	4.72	2.45
PS1 75/100 guarantee policy	20.77	16.23	13.87	15.67	12.99	4.54	2.36
PS1 100/100 guarantee policy	19.88	15.60	13.40	15.20	12.65	4.28	2.20
PS2 75/100 guarantee policy	26.86	20.44	17.04	18.76	15.15	6.42	3.40
PS2 100/100 guarantee policy	—	—	17.04	18.76	15.15	—	—
PS 75/100 guarantee policy	18.45	14.31	12.15	13.64	11.22	4.14	2.16

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

U.S. Low Volatility Fund (P) SF527

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Putnam Investments, LLC or its subsidiaries. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Low Volatility Fund (P) SF527

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.84	2.81	2.81	2.80	2.81
75/100 guarantee policy	3.01	2.98	2.98	2.97	2.98
100/100 guarantee policy	3.28	3.25	3.24	3.24	3.25
PS1 75/75 guarantee policy	2.33	2.30	2.30	2.29	2.30
PS1 75/100 guarantee policy	2.60	2.58	2.57	2.57	2.57
PS1 100/100 guarantee policy	3.05	3.02	3.01	3.00	3.01
PS 75/100 guarantee policy	1.90	1.88	1.88	1.87	1.87

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	47.37	36.99	107.02	48.34	53.37

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL DIVIDEND FUND (SAM) SF528

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Dividend Fund (SAM) SF528 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Dividend Fund (SAM) SF528

(in Canadian \$ thousands)

Fund Manager: Setanta Asset Management Limited

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 3,239	\$ 4,425
Investment income due and accrued	407	339
Due from The Canada Life Assurance Company (note 7)	733	805
Due from brokers	—	60
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	248,783	218,337
Investment fund units	—	—
Total investments	248,783	218,337
Total assets	\$ 253,162	\$ 223,966
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 253,162	\$ 223,966

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 26,803	\$ 23,590
Miscellaneous income (loss)	65	(44)
Total income (loss)	26,868	23,546
Expenses		
Management fees (note 7)	2,980	2,447
Transaction costs	64	95
Withholding taxes	932	1,084
Other	323	266
Total expenses	4,299	3,892
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 22,569	\$ 19,654

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 223,966	\$ 189,260
Contractholder deposits	41,197	36,024
Contractholder withdrawals	(34,570)	(20,972)
Increase (decrease) in net assets from operations attributable to contractholders	22,569	19,654
Change in net assets attributable to contractholders	29,196	34,706
Net assets attributable to contractholders - end of year	\$ 253,162	\$ 223,966

Global Dividend Fund (SAM) SF528

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 22,569	\$ 19,654
Adjustments		
Realized (gains) losses	(7,273)	2,613
Unrealized (gains) losses	(10,064)	(17,242)
Gross proceeds of disposition of investments	50,791	40,018
Gross payments for the purchase of investments	(63,900)	(58,170)
Change in investment income due and accrued	(68)	(190)
Change in due from/to The Canada Life Assurance Company	72	286
Change in due from/to brokers	60	(1,331)
Change in due from/to outside parties	—	—
	(7,813)	(14,362)
Financing Activities		
Contractholder deposits	41,197	36,024
Contractholder withdrawals	(34,570)	(20,972)
	6,627	15,052
Net increase (decrease) in cash, short-term deposits and overdrafts	(1,186)	690
Cash, short-term deposits and overdrafts, beginning of year	4,425	3,735
Cash, short-term deposits and overdrafts, end of year	\$ 3,239	\$ 4,425
Supplementary cash flow information		
Dividend income received	\$ 9,291	\$ 8,702

Global Dividend Fund (SAM) SF528

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Consumer Discretionary			
McDonald's Corp.	14,425	4,281	6,012
The Home Depot Inc.	13,115	6,049	7,335
Consumer Staples			
Kenvue Inc.	204,180	5,664	6,268
The Procter & Gamble Co.	42,539	7,482	10,254
Energy			
Exxon Mobil Corp.	39,843	4,104	6,162
Financials			
CME Group Inc.	21,085	6,207	7,040
Health Care			
Johnson & Johnson Inc.	38,350	7,739	7,974
Information Technology			
Cisco Systems Inc.	59,594	3,616	5,073
Real Estate			
American Tower Corp. REIT Class A	21,249	6,653	5,604
Utilities			
American Water Works Co. Inc.	27,331	5,361	4,892
Exelon Corp.	93,907	4,944	5,082
Total United States Common Stock		62,100	71,696
Global Common Stock			
Australia			
Fortescue Ltd.	231,006	4,259	3,751
Bermuda			
Lancashire Holdings Ltd.	401,305	4,303	4,760

Global Dividend Fund (SAM) SF528

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Denmark			
Coloplast AS	20,052	3,580	3,157
Finland			
Kone OYJ	88,375	5,342	6,179
Sampo OYJ Class A	108,513	6,362	6,379
France			
Air Liquide SA	33,947	6,081	7,933
Sanofi SA	67,578	8,456	9,434
Germany			
Allianz SE	20,455	5,997	9,012
Ireland			
CRH PLC	62,631	3,635	8,358
DCC PLC	94,785	8,617	8,769
Medtronic Co. PLC	62,236	8,239	7,148
Italy			
Terna SPA	692,481	6,878	7,862
South Korea			
SK Telecom Co. Ltd.	61,755	3,498	3,314
Spain			
Merlin Properties Socimi SA REIT	231,678	3,140	3,505
Viscofan SA	80,020	6,803	7,269
Sweden			
Boliden AB	115,610	4,717	4,654
Sandvik AB	214,492	5,647	5,526
Svenska Handelsbanken AB Class A	470,617	6,330	6,989

Global Dividend Fund (SAM) SF528

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Switzerland			
Compagnie Financiere Richemont SA	26,267	3,888	5,742
Nestle SA	46,930	6,965	5,534
Novartis AG	65,616	7,707	9,183
SGS SA *	36,658	4,566	5,279
Sonova Holding AG	7,985	2,855	3,738
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	37,501	4,737	10,649
Thailand			
Bangkok Bank PCL	8,300	45	52
Bangkok Bank PCL GDR	920,300	4,622	5,813
United Kingdom			
Diageo PLC	67,746	3,516	3,094
National Grid PLC	439,745	6,725	7,519
Total Global Common Stock		147,510	170,602
Global Preferred Stock			
South Korea			
Samsung Electronics Co. Ltd. Preference Shares	151,071	8,991	6,485
Total Global Preferred Stock		8,991	6,485
Total Stocks		218,601	248,783
Transaction Costs (note 2)		(258)	
Total Investments		218,343	248,783

*The issuer of this security is a related company to the issuer of the Fund.

Global Dividend Fund (SAM) SF528

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Dividend Fund (SAM) SF528 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Dividend Fund (SAM) SF528

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 89,493	\$ —	\$ 89,493	\$ 895
Euro	57,573	2	57,575	576
United Kingdom Pound Sterling	32,500	1	32,501	325
Swiss Franc	29,476	—	29,476	295
Other Currencies	39,741	—	39,741	397
Total	\$ 248,783	\$ 3	\$ 248,786	\$ 2,488
As Percent of Net Assets Attributable to Contractholders				98.3%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 58,089	\$ 32	\$ 58,121	\$ 581
Euro	52,170	4	52,174	522
United Kingdom Pound Sterling	36,665	—	36,665	367
Swiss Franc	31,191	—	31,191	311
Other Currencies	36,883	—	36,883	369
Total	\$ 214,998	\$ 36	\$ 215,034	\$ 2,150
As Percent of Net Assets Attributable to Contractholders				96.0%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$2,488 (\$2,183 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Dividend Fund (SAM) SF528

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets Measured at Fair Value				
Assets measured at fair value	Level 1	Level 2	Level 3	Total
Stocks	\$ 159,217	\$ 89,566	\$ —	\$ 248,783
Total assets measured at fair value	\$ 159,217	\$ 89,566	\$ —	\$ 248,783

2023				
Assets Measured at Fair Value				
Assets measured at fair value	Level 1	Level 2	Level 3	Total
Stocks	\$ 199,673	\$ 18,664	\$ —	\$ 218,337
Total assets measured at fair value	\$ 199,673	\$ 18,664	\$ —	\$ 218,337

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

Global Dividend Fund (SAM) SF528

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,064,892	994,522	908,594	769,689	665,897	17,732	15,313	12,935	11,424	9,105
75/100 guarantee policy	2,149,610	2,268,542	2,049,431	1,762,366	1,511,083	35,211	34,418	28,797	25,861	20,460
100/100 guarantee policy	80,120	88,661	98,017	120,604	134,221	1,277	1,312	1,348	1,736	1,788
PS1 75/75 guarantee policy	1,046,998	783,163	683,850	694,742	503,325	18,246	12,562	10,095	10,644	7,071
PS1 75/100 guarantee policy	3,053,029	2,356,821	2,049,975	1,489,878	1,074,665	51,668	36,813	29,552	22,352	14,824
PS1 100/100 guarantee policy	150,743	158,744	156,013	83,817	118,205	2,459	2,398	2,182	1,224	1,593
PS2 75/75 guarantee policy	216,016	175,553	139,973	166,152	136,150	4,764	3,479	2,493	2,999	2,201
PS2 75/100 guarantee policy	145,411	155,658	162,029	126,329	92,332	3,207	3,085	2,886	2,281	1,493
PS2 100/100 guarantee policy	37,219	38,301	58,785	60,352	62,091	821	759	1,047	1,089	1,004
PS 75/75 guarantee policy	34,926	41,415	38,024	27,822	27,194	486	527	442	334	297
PS 75/100 guarantee policy	67,123	74,260	63,756	27,238	32,157	924	936	736	325	350
PPS 75/75 guarantee policy	59,884	60,872	67,760	43,787	36,500	858	794	804	534	403
PPS 75/100 guarantee policy	142,279	138,212	131,389	51,928	39,161	2,003	1,776	1,541	627	430
PPS 100/100 guarantee policy	4,528	4,380	4,545	2,860	5,145	62	55	53	34	56

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.65	15.40	14.24	14.84	13.67	1.25	1.16
75/100 guarantee policy	16.38	15.17	14.05	14.67	13.54	1.21	1.12
100/100 guarantee policy	15.94	14.80	13.75	14.40	13.32	1.14	1.05
PS1 75/75 guarantee policy	17.43	16.04	14.76	15.32	14.05	1.39	1.28
PS1 75/100 guarantee policy	16.92	15.62	14.42	15.00	13.79	1.30	1.20
PS1 100/100 guarantee policy	16.31	15.11	13.99	14.61	13.47	1.20	1.12
PS2 75/75 guarantee policy	22.05	19.82	17.81	18.05	16.16	2.23	2.01
PS2 75/100 guarantee policy	22.05	19.82	17.81	18.05	16.17	2.23	2.01
PS2 100/100 guarantee policy	22.05	19.82	17.81	18.05	16.16	2.23	2.01
PS 75/75 guarantee policy	13.91	12.72	11.63	12.00	10.93	1.19	1.09
PS 75/100 guarantee policy	13.76	12.61	11.55	11.93	10.88	1.15	1.06
PPS 75/75 guarantee policy	14.33	13.04	11.87	12.19	11.05	1.29	1.17
PPS 75/100 guarantee policy	14.08	12.85	11.73	12.07	10.98	1.23	1.12
PPS 100/100 guarantee policy	13.80	12.63	11.57	11.95	10.90	1.17	1.06

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Dividend Fund (SAM) SF528

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Setanta Asset Management Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Dividend Fund (SAM) SF528

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.86	2.84	2.82	2.83	2.78
75/100 guarantee policy	3.03	3.01	2.99	2.99	2.95
100/100 guarantee policy	3.31	3.28	3.28	3.28	3.22
PS1 75/75 guarantee policy	2.40	2.38	2.37	2.37	2.33
PS1 75/100 guarantee policy	2.67	2.66	2.64	2.64	2.60
PS1 100/100 guarantee policy	3.01	2.99	2.98	2.99	2.94
PS 75/75 guarantee policy	1.75	1.73	1.72	1.73	1.69
PS 75/100 guarantee policy	1.91	1.90	1.88	1.90	1.86
PPS 75/75 guarantee policy	1.28	1.27	1.26	1.27	1.24
PPS 75/100 guarantee policy	1.56	1.55	1.53	1.54	1.52
PPS 100/100 guarantee policy	1.89	1.88	1.87	1.87	1.85

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	20.81	18.06	25.32	11.82	30.96

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL EQUITY FUND (P) SF529

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Equity Fund (P) SF529 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Equity Fund (P) SF529

(in Canadian \$ thousands)

Fund Manager: Putnam Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 571	\$ 645
Investment income due and accrued	5	14
Due from The Canada Life Assurance Company (note 8)	40	12
Due from brokers	—	25
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	21,141	19,748
Investment fund units	—	—
Derivatives (note 7)	168	218
Total investments	21,309	19,966
Total assets	\$ 21,925	\$ 20,662
Liabilities		
Overdrafts	\$ —	\$ 16
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Derivatives (note 7)	344	106
Total liabilities excluding net assets attributable to contractholders	344	122
Net assets attributable to contractholders	\$ 21,581	\$ 20,540

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,611	\$ 3,204
Miscellaneous income (loss)	5	6
Total income (loss)	2,616	3,210
Expenses		
Management fees (note 8)	32	33
Transaction costs	50	33
Withholding taxes	39	46
Other	3	3
Total expenses	124	115
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,492	\$ 3,095

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 20,540	\$ 19,591
Contractholder deposits	2,161	1,534
Contractholder withdrawals	(3,612)	(3,680)
Increase (decrease) in net assets from operations attributable to contractholders	2,492	3,095
Change in net assets attributable to contractholders	1,041	949
Net assets attributable to contractholders - end of year	\$ 21,581	\$ 20,540

International Equity Fund (P) SF529

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,492	\$ 3,095
Adjustments		
Realized (gains) losses	(2,278)	(1,494)
Unrealized (gains) losses	388	(1,288)
Gross proceeds of disposition of investments	18,137	15,874
Gross payments for the purchase of investments	(17,352)	(13,507)
Change in investment income due and accrued	9	(6)
Change in due from/to The Canada Life Assurance Company	(28)	(40)
Change in due from/to brokers	25	(25)
Change in due from/to outside parties	—	—
	<u>1,393</u>	<u>2,609</u>
Financing Activities		
Contractholder deposits	2,161	1,534
Contractholder withdrawals	(3,612)	(3,680)
	<u>(1,451)</u>	<u>(2,146)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(58)	463
Cash, short-term deposits and overdrafts, beginning of year	629	166
Cash, short-term deposits and overdrafts, end of year	\$ 571	\$ 629
Supplementary cash flow information		
Dividend income received	\$ 490	\$ 500

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Energy			
Cenovus Energy Inc.	6,797	181	148
Industrials			
Canadian National Railway Co.	2,712	442	396
Total Canadian Common Stock		623	544
Global Common Stock			
Bermuda			
Jardine Matheson Holdings Ltd.	5,100	281	300
Cayman Islands			
CK Hutchison Holdings Ltd.	63,000	522	484
Sea Ltd. ADR	729	111	111
Tencent Holdings Ltd.	3,000	233	232
Denmark			
Novo Nordisk AS	2,454	392	304
France			
Accor SA	6,107	370	428
Capgemini SA	1,036	243	244
Compagnie de Saint-Gobain	3,149	397	402
Danone SA	2,980	268	289
Thales SA	1,404	258	290
Vinci SA	2,286	358	340
Germany			
Deutsche Boerse AG	1,434	357	475
Siemens AG	1,959	483	550
Ireland			
Bank of Ireland Group PLC	10,772	113	141
CRH PLC	3,497	208	467

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Ireland (continued)			
Linde PLC	977	437	588
Ryanair Holdings PLC ADR	3,787	257	237
Italy			
Prysmian SPA	4,060	247	374
Japan			
Asahi Group Holdings Ltd.	13,100	224	197
Hoya Corp.	3,100	449	554
ITOCHU Corp.	4,800	218	340
Japan Exchange Group Inc.	19,800	277	316
Mitsubishi UFJ Financial Group Inc.	33,500	303	565
Nintendo Co. Ltd.	4,300	269	360
Nippon Sanso Holdings Corp.	6,600	231	264
Nomura Holdings Inc.	33,800	239	283
Rakuten Bank Ltd.	3,100	112	125
Ryohin Keikaku Co. Ltd.	6,700	171	218
SBI Holdings Inc.	4,100	156	147
SoftBank Group Corp.	2,500	217	206
Sony Group Corp.	14,200	299	431
Sumitomo Mitsui Financial Group Inc.	14,500	415	502
YAMAZAKI Baking Co. Ltd.	4,300	115	115
Jersey			
Experian PLC	7,427	354	461
Netherlands			
Airbus SE	1,736	375	398
argenx SE	318	218	282
ASML Holding NV	529	559	535
Euronext NV	2,664	296	429
STMicroelectronics NV	4,559	267	163
Universal Music Group NV	4,917	164	180
Wolters Kluwer NV	1,773	260	423

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Spain			
Iberdrola SA	27,576	565	546
Switzerland			
Lonza Group AG	241	169	204
Roche Holding AG	928	412	374
Sandoz Group AG	3,693	170	217
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd.	5,000	172	236
United Kingdom			
AstraZeneca PLC	3,462	592	653
Barclays PLC	87,042	362	420
BP PLC	50,034	412	354
Coca-Cola Europacific Partners PLC	3,750	296	414
Compass Group PLC	12,733	444	610
Haleon PLC	50,867	345	346
Informa PLC	17,712	266	255
London Stock Exchange Group PLC	3,157	480	642
NatWest Group PLC	55,168	347	399
Prudential PLC	32,789	500	376
Tesco PLC	74,876	417	496
Total Global Common Stock		17,672	20,292
Global Preferred Stock			
South Korea			
Samsung Electronics Co. Ltd. Preference Shares	7,108	433	305
Total Global Preferred Stock		433	305
Total Stocks		18,728	21,141

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7439	January 22, 2025	United States Dollar	154	Canadian Dollar	143	11
0.7438	January 22, 2025	United States Dollar	137	Canadian Dollar	128	9
0.7439	January 22, 2025	United States Dollar	94	Canadian Dollar	88	6
3.7799	January 22, 2025	Israeli New Shekel	102	United States Dollar	96	6
0.7439	January 22, 2025	United States Dollar	79	Canadian Dollar	74	5
0.7439	January 22, 2025	United States Dollar	61	Canadian Dollar	57	4
0.7437	January 22, 2025	United States Dollar	50	Canadian Dollar	47	3
0.7439	January 22, 2025	United States Dollar	18	Canadian Dollar	17	1
0.7264	January 22, 2025	United States Dollar	25	Canadian Dollar	24	1
0.7204	January 22, 2025	United States Dollar	43	Canadian Dollar	42	1
1.6056	January 22, 2025	United States Dollar	36	Australian Dollar	35	1
3.7066	January 22, 2025	Israeli New Shekel	27	United States Dollar	27	-
0.7131	January 22, 2025	United States Dollar	11	Canadian Dollar	11	-
1,373.0800	February 19, 2025	United States Dollar	-	South Korean Won	26	26
31.5390	February 19, 2025	United States Dollar	11	Taiwan New Dollar	9	20
31.5400	February 19, 2025	United States Dollar	3	Taiwan New Dollar	3	6
151.0981	February 19, 2025	United States Dollar	1	Japanese Yen	4	5
148.4936	February 19, 2025	United States Dollar	-	Japanese Yen	4	4
153.8558	February 19, 2025	United States Dollar	1	Japanese Yen	2	3
150.0143	February 19, 2025	United States Dollar	-	Japanese Yen	2	2
31.5470	February 19, 2025	United States Dollar	1	Taiwan New Dollar	1	2
150.8021	February 19, 2025	United States Dollar	-	Japanese Yen	2	2
1.3377	February 19, 2025	United States Dollar	42	Singapore Dollar	40	2
149.5422	February 19, 2025	United States Dollar	-	Japanese Yen	2	2
150.7882	February 19, 2025	United States Dollar	-	Japanese Yen	2	2
7.2618	February 19, 2025	United States Dollar	21	Chinese Yuan Renminbi	19	2
151.8952	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
152.2485	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
153.1267	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
149.2349	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
150.9985	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
152.3675	February 19, 2025	United States Dollar	-	Japanese Yen	1	1
7.7605	February 19, 2025	United States Dollar	9	Hong Kong Dollar	9	-
7.7603	February 19, 2025	United States Dollar	4	Hong Kong Dollar	4	-
7.7610	February 19, 2025	United States Dollar	6	Hong Kong Dollar	6	-
7.7603	February 19, 2025	United States Dollar	3	Hong Kong Dollar	3	-
153.9982	February 19, 2025	United States Dollar	-	Japanese Yen	-	-
7.7745	February 19, 2025	United States Dollar	1	Hong Kong Dollar	1	-

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
Derivative Assets (continued)						
153.4792	February 19, 2025	United States Dollar	-	Japanese Yen	-	-
7.7750	February 19, 2025	United States Dollar	4	Hong Kong Dollar	4	-
32.4700	February 19, 2025	Taiwan New Dollar	34	United States Dollar	34	-
7.7736	February 19, 2025	United States Dollar	8	Hong Kong Dollar	8	-
7.7707	February 19, 2025	United States Dollar	21	Hong Kong Dollar	21	-
7.7696	February 19, 2025	Hong Kong Dollar	167	United States Dollar	167	-
1.2675	March 19, 2025	United States Dollar	274	Pound Sterling	265	9
1.2676	March 19, 2025	United States Dollar	223	Pound Sterling	218	5
1.2675	March 19, 2025	United States Dollar	96	Pound Sterling	93	3
1.2678	March 19, 2025	United States Dollar	154	Pound Sterling	151	3
1.0602	March 19, 2025	United States Dollar	78	Euro	75	3
1.2693	March 19, 2025	United States Dollar	84	Pound Sterling	81	3
1.2680	March 19, 2025	United States Dollar	62	Pound Sterling	60	2
1.2677	March 19, 2025	United States Dollar	115	Pound Sterling	113	2
1.2676	March 19, 2025	United States Dollar	56	Pound Sterling	54	2
1.2739	March 19, 2025	United States Dollar	24	Pound Sterling	23	1
1.2724	March 19, 2025	United States Dollar	43	Pound Sterling	42	1
1.2724	March 19, 2025	United States Dollar	19	Pound Sterling	18	1
1.0443	March 19, 2025	United States Dollar	45	Euro	44	1
1.0587	March 19, 2025	United States Dollar	23	Euro	23	-
1.0614	March 19, 2025	Euro	24	United States Dollar	24	-
1.2731	March 19, 2025	Pound Sterling	9	United States Dollar	9	-
1.2690	March 19, 2025	United States Dollar	16	Pound Sterling	16	-
1.0547	March 19, 2025	United States Dollar	40	Euro	40	-
1.2511	March 19, 2025	United States Dollar	6	Pound Sterling	6	-
1.0470	March 19, 2025	United States Dollar	27	Euro	27	-
1.0465	March 19, 2025	United States Dollar	23	Euro	23	-
Derivatives - Assets						168
1.4510	January 22, 2025	Australian Dollar	11	United States Dollar	12	(1)
1.7028	January 22, 2025	New Zealand Dollar	18	United States Dollar	19	(1)
1.3974	January 22, 2025	Canadian Dollar	65	United States Dollar	67	(2)
1.4511	January 22, 2025	Australian Dollar	20	United States Dollar	23	(3)
1.4851	January 22, 2025	Australian Dollar	28	United States Dollar	31	(3)
1.5404	January 22, 2025	Australian Dollar	41	United States Dollar	44	(3)
1.4901	January 22, 2025	Australian Dollar	28	United States Dollar	32	(4)
1.4512	January 22, 2025	Australian Dollar	26	United States Dollar	31	(5)
1.5939	January 22, 2025	New Zealand Dollar	28	United States Dollar	33	(5)

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
Derivative Liabilities (continued)						
1.4511	January 22, 2025	Australian Dollar	42	United States Dollar	49	(7)
1.4509	January 22, 2025	Australian Dollar	74	United States Dollar	86	(12)
1.4509	January 22, 2025	Australian Dollar	82	United States Dollar	95	(13)
1.4513	January 22, 2025	Australian Dollar	125	United States Dollar	146	(21)
1.4509	January 22, 2025	Australian Dollar	281	United States Dollar	326	(45)
1.4512	January 22, 2025	Australian Dollar	386	United States Dollar	450	(64)
149.6895	February 19, 2025	Japanese Yen	29	United States Dollar	30	(1)
7.0510	February 19, 2025	Chinese Yuan Renminbi	24	United States Dollar	25	(1)
149.7200	February 19, 2025	Japanese Yen	16	United States Dollar	17	(1)
1.3324	February 19, 2025	Singapore Dollar	27	United States Dollar	28	(1)
152.9940	February 19, 2025	Japanese Yen	47	United States Dollar	48	(1)
152.3253	February 19, 2025	Japanese Yen	20	United States Dollar	21	(1)
152.6526	February 19, 2025	Japanese Yen	34	United States Dollar	35	(1)
7.0526	February 19, 2025	Chinese Yuan Renminbi	30	United States Dollar	32	(2)
149.7167	February 19, 2025	Japanese Yen	41	United States Dollar	43	(2)
149.6539	February 19, 2025	Japanese Yen	42	United States Dollar	44	(2)
149.3270	February 19, 2025	Japanese Yen	39	United States Dollar	41	(2)
149.6955	February 19, 2025	Japanese Yen	40	United States Dollar	43	(3)
150.0334	February 19, 2025	Japanese Yen	38	United States Dollar	41	(3)
32.3800	February 19, 2025	Taiwan New Dollar	145	United States Dollar	148	(3)
149.2521	February 19, 2025	Japanese Yen	58	United States Dollar	62	(4)
32.2400	February 19, 2025	Taiwan New Dollar	169	United States Dollar	173	(4)
1.3108	February 19, 2025	Singapore Dollar	100	United States Dollar	106	(6)
1.3109	February 19, 2025	Singapore Dollar	111	United States Dollar	118	(7)
149.7275	February 19, 2025	Japanese Yen	104	United States Dollar	111	(7)
149.6615	February 19, 2025	Japanese Yen	121	United States Dollar	129	(8)
149.6740	February 19, 2025	Japanese Yen	207	United States Dollar	221	(14)
1.0534	March 19, 2025	Euro	45	United States Dollar	46	(1)
1.1478	March 19, 2025	Swiss Franc	27	United States Dollar	28	(1)
1.1478	March 19, 2025	Swiss Franc	5	United States Dollar	6	(1)
23.7169	March 19, 2025	Czech Koruna	17	United States Dollar	18	(1)
7.0143	March 19, 2025	Danish Krone	36	United States Dollar	37	(1)
10.7998	March 19, 2025	Swedish Krona	68	United States Dollar	69	(1)
1.0607	March 19, 2025	Euro	34	United States Dollar	35	(1)
10.8000	March 19, 2025	Swedish Krona	36	United States Dollar	37	(1)
1.0558	March 19, 2025	Euro	14	United States Dollar	15	(1)
1.2742	March 19, 2025	Pound Sterling	20	United States Dollar	21	(1)

International Equity Fund (P) SF529

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
Derivative Liabilities (continued)						
1.0534	March 19, 2025	Euro	62	United States Dollar	64	(2)
10.7999	March 19, 2025	Swedish Krona	81	United States Dollar	83	(2)
1.1480	March 19, 2025	Swiss Franc	33	United States Dollar	35	(2)
10.7981	March 19, 2025	Swedish Krona	96	United States Dollar	98	(2)
10.8001	March 19, 2025	Swedish Krona	68	United States Dollar	70	(2)
1.1513	March 19, 2025	Swiss Franc	34	United States Dollar	36	(2)
1.1478	March 19, 2025	Swiss Franc	47	United States Dollar	50	(3)
7.0172	March 19, 2025	Danish Krone	99	United States Dollar	102	(3)
10.7990	March 19, 2025	Swedish Krona	99	United States Dollar	102	(3)
10.8034	March 19, 2025	Swedish Krona	107	United States Dollar	110	(3)
7.0151	March 19, 2025	Danish Krone	100	United States Dollar	104	(4)
11.0202	March 19, 2025	Norwegian Krone	85	United States Dollar	89	(4)
1.1478	March 19, 2025	Swiss Franc	71	United States Dollar	75	(4)
1.2764	March 19, 2025	Pound Sterling	75	United States Dollar	79	(4)
1.1479	March 19, 2025	Swiss Franc	77	United States Dollar	82	(5)
1.1479	March 19, 2025	Swiss Franc	96	United States Dollar	101	(5)
1.1478	March 19, 2025	Swiss Franc	114	United States Dollar	120	(6)
1.1478	March 19, 2025	Swiss Franc	119	United States Dollar	126	(7)
1.1486	March 19, 2025	Swiss Franc	130	United States Dollar	138	(8)
Derivatives - Liabilities						(344)
Total Forward Currency Contracts						(176)

Total Derivative Instruments at Fair Value

(176)

Transaction Costs (note 2)

(38)

Total Investments

18,690

20,965

International Equity Fund (P) SF529

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the International Equity Fund (P) SF529 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

International Equity Fund (P) SF529

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 6,419	\$ 1	\$ 6,420	\$ 64
United Kingdom Pound Sterling	3,636	—	3,636	36
Japanese Yen	4,957	—	4,957	50
United States Dollar	11	521	532	5
Other Currencies	5,982	—	5,982	60
Total	\$ 21,005	\$ 522	\$ 21,527	\$ 215
As Percent of Net Assets Attributable to Contractholders			99.8%	1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 5,775	\$ 1	\$ 5,776	\$ 58
Japanese Yen	4,579	(42)	4,537	45
United Kingdom Pound Sterling	3,470	(5)	3,465	35
United States Dollar	88	645	733	7
Other Currencies	5,913	—	5,913	59
Total	\$ 19,825	\$ 599	\$ 20,424	\$ 204
As Percent of Net Assets Attributable to Contractholders			99.4%	1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$211 (\$197 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

International Equity Fund (P) SF529

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets and Liabilities Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Stocks	\$	13,838	\$ 7,303	\$ —	\$ 21,141
Derivatives		—	168	—	168
Total assets measured at fair value	\$	13,838	\$ 7,471	\$ —	\$ 21,309
<u>Liabilities measured at fair value</u>					
Derivatives	\$	—	\$ 344	\$ —	\$ 344
Net assets attributable to contractholders measured at fair value	\$	13,838	\$ 7,127	\$ —	\$ 20,965

		2023			
		Assets and Liabilities Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Stocks	\$	19,288	\$ 460	\$ —	\$ 19,748
Derivatives		—	218	—	218
Total assets measured at fair value	\$	19,288	\$ 678	\$ —	\$ 19,966
<u>Liabilities measured at fair value</u>					
Derivatives	\$	—	\$ 106	\$ —	\$ 106
Net assets attributable to contractholders measured at fair value	\$	19,288	\$ 572	\$ —	\$ 19,860

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

International Equity Fund (P) SF529

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	12,842	16,896	21,006	29,390	30,276	206	248	271	424	413
75/100 guarantee policy	20,764	29,801	35,588	43,874	55,000	327	429	453	625	742
100/100 guarantee policy	8,128	9,631	9,736	10,014	9,890	123	133	120	138	130
PS1 75/75 guarantee policy	6,291	5,464	5,464	6,140	6,009	107	84	74	92	85
PS1 75/100 guarantee policy	17,343	23,542	25,180	27,031	30,557	286	353	332	398	424
PS2 75/75 guarantee policy	277	280	15,542	16,995	24,672	6	5	254	302	402
PS2 75/100 guarantee policy	3,046	3,127	3,211	3,297	3,386	66	60	52	58	55
PPS 75/100 guarantee policy	1,463	1,619	1,788	2,003	2,138	20	20	19	24	24
PPS 100/100 guarantee policy	—	—	—	—	387	—	—	—	—	4

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.08	14.66	12.92	14.44	13.65	1.42	1.74
75/100 guarantee policy	15.76	14.40	12.72	14.25	13.49	1.36	1.68
100/100 guarantee policy	15.08	13.85	12.28	13.82	13.14	1.23	1.57
PS1 75/75 guarantee policy	16.95	15.38	13.48	14.99	14.09	1.57	1.90
PS1 75/100 guarantee policy	16.49	15.00	13.19	14.71	13.87	1.49	1.81
PS2 75/75 guarantee policy	21.56	19.09	16.34	17.75	16.29	2.47	2.75
PS2 75/100 guarantee policy	21.56	19.09	16.34	17.75	16.29	2.47	2.75
PPS 75/100 guarantee policy	13.74	12.37	10.76	11.86	11.06	1.37	1.61
PPS 100/100 guarantee policy	—	—	—	—	10.94	—	—

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) **Amounts Due to/from Broker**

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) **Amounts Due to/from Outside Parties**

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) **Other Expenses**

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) **Income Allocation**

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

International Equity Fund (P) SF529

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Putnam Investments, LLC or its subsidiaries. All investment transactions with the corresponding underlying funds are at quoted market prices.

International Equity Fund (P) SF529

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.93	2.90	2.91	2.90	2.91
75/100 guarantee policy	3.15	3.12	3.12	3.12	3.13
100/100 guarantee policy	3.58	3.55	3.55	3.55	3.57
PS1 75/75 guarantee policy	2.41	2.39	2.39	2.39	2.41
PS1 75/100 guarantee policy	2.69	2.66	2.67	2.67	2.68
PPS 75/100 guarantee policy	1.59	1.58	1.58	1.58	1.58
PPS 100/100 guarantee policy	—	—	—	—	2.06

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	84.43	70.89	86.02	82.94	115.41

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL UNCONSTRAINED FUND (MACKENZIE)
SF530

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Unconstrained Fund (Mackenzie) SF530 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Unconstrained Fund (Mackenzie) SF530

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 27	\$ 137
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	182,764	158,223
Total investments	182,764	158,223
Total assets	\$ 182,791	\$ 158,360
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	56	38
Due to brokers	—	180
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	56	218
Net assets attributable to contractholders	\$ 182,735	\$ 158,142

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 9,932	\$ 11,216
Miscellaneous income (loss)	—	—
Total income (loss)	9,932	11,216
Expenses		
Management fees (note 8)	1,771	1,548
Other	216	188
Total expenses	1,987	1,736
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 7,945	\$ 9,480

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 158,142	\$ 150,643
Contractholder deposits	37,148	21,095
Contractholder withdrawals	(20,500)	(23,076)
Increase (decrease) in net assets from operations attributable to contractholders	7,945	9,480
Change in net assets attributable to contractholders	24,593	7,499
Net assets attributable to contractholders - end of year	\$ 182,735	\$ 158,142

Global Unconstrained Fund (Mackenzie) SF530

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 7,945	\$ 9,480
Adjustments		
Realized (gains) losses	782	2,096
Unrealized (gains) losses	(1,389)	(4,930)
Gross proceeds of disposition of investments	8,582	16,525
Gross payments for the purchase of investments	(23,191)	(13,327)
Distribution income of underlying mutual fund	(9,325)	(8,382)
Change in due from/to The Canada Life Assurance Company	18	(52)
Change in due from/to brokers	(180)	2,699
	(16,758)	4,109
Financing Activities		
Contractholder deposits	37,148	21,095
Contractholder withdrawals	(20,500)	(23,076)
	16,648	(1,981)
Net increase (decrease) in cash, short-term deposits and overdrafts	(110)	2,128
Cash, short-term deposits and overdrafts, beginning of year	137	(1,991)
Cash, short-term deposits and overdrafts, end of year	\$ 27	\$ 137

As at December 31, 2024

Global Unconstrained Fund (Mackenzie) SF530

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Unconstrained Fixed Income Fund Series S *	20,706,990	197,220	182,764
Total Investments		197,220	182,764

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	7.45%
Mackenzie Floating Rate Income ETF *	4.07%
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%
Federal Republic of Germany 2.10% 04-12-2029	1.92%
United States Treasury 3.50% 02-15-2033	1.89%
Northleaf Private Credit II LP MI 15 *	1.57%
Federative Republic of Brazil 10.00% 01-01-2029	1.51%
Mackenzie High Quality Floating Rate Fund Series R *	1.44%
United Kingdom Treasury 0.88% 07-31-2033	1.28%
Government of New Zealand 4.25% 05-15-2034	1.23%
Enbridge Inc. 8.747% 01-15-2084	1.04%
Enbridge Inc. 5.375% 09-27-2077	1.02%
Mackenzie Global Corporate Fixed Income Fund Series R *	0.98%
Republic of Indonesia 6.63% 02-15-2034	0.97%
Government of the United Kingdom 4.38% 07-31-2054	0.95%
Sagard Credit Partners II LP *	0.94%
International Finance Corp. 7.75% 01-18-2030	0.86%
United States Treasury Inflation Index 0.125% 01-15-2032 Real Return	0.81%
Republic of South Africa Government Bond 8.88% 02-28-2035	0.78%
Federal Republic of Germany 0.00% 08-15-2052	0.77%
Mackenzie Emerging Markets Bond Index ETF *	0.68%
Mackenzie Global Sustainable Bond ETF *	0.68%
America Movil SAB de CV 9.50% 01-27-2031	0.65%
Schlumberger Holdings Corp. 3.90% 05-17-2028	0.64%

*The issuer of this security is a related company to the issuer of the Fund.

As at December 31, 2024

Global Unconstrained Fund (Mackenzie) SF530

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,225,971	949,703	918,025	912,040	809,130	14,331	10,710	9,844	10,703	9,719
75/100 guarantee policy	2,624,133	2,668,464	2,750,912	2,771,400	2,357,095	30,364	29,822	29,266	32,300	28,150
100/100 guarantee policy	109,813	111,514	131,635	160,247	155,186	1,251	1,229	1,384	1,849	1,838
PS1 75/75 guarantee policy	1,129,648	767,130	564,191	501,464	307,714	13,936	9,077	6,311	6,103	3,812
PS1 75/100 guarantee policy	2,399,186	2,184,330	2,221,761	2,184,876	1,831,479	29,294	25,610	24,654	26,409	22,554
PS1 100/100 guarantee policy	216,118	63,925	77,662	75,329	58,249	2,599	739	852	901	711
PS2 75/75 guarantee policy	141,069	198,269	196,215	252,938	171,755	2,040	2,702	2,484	3,423	2,325
PS2 75/100 guarantee policy	266,630	282,363	447,715	289,017	203,162	3,857	3,849	5,669	3,912	2,750
PS2 100/100 guarantee policy	160,161	79,717	26,499	27,147	27,828	2,317	1,086	335	367	377
PS 75/75 guarantee policy	190,322	131,086	69,322	49,525	33,356	2,056	1,359	679	528	362
PS 75/100 guarantee policy	349,622	267,071	183,135	139,884	60,275	3,751	2,752	1,786	1,486	653
PS 100/100 guarantee policy	1,481	24,227	1,514	2,482	—	16	248	15	26	—
PPS 75/75 guarantee policy	372,573	180,430	141,853	70,768	29,795	4,181	1,931	1,428	771	328
PPS 75/100 guarantee policy	602,894	551,297	460,504	366,204	79,529	6,717	5,865	4,611	3,972	874
PPS 100/100 guarantee policy	21,644	—	—	4,617	—	239	—	—	50	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.69	11.28	10.72	11.73	12.01	0.41	0.56
75/100 guarantee policy	11.57	11.18	10.64	11.65	11.94	0.39	0.54
100/100 guarantee policy	11.40	11.02	10.51	11.54	11.84	0.38	0.51
PS1 75/75 guarantee policy	12.34	11.83	11.19	12.17	12.39	0.51	0.64
PS1 75/100 guarantee policy	12.21	11.72	11.10	12.09	12.31	0.49	0.62
PS1 100/100 guarantee policy	12.03	11.57	10.97	11.96	12.21	0.46	0.60
PS2 75/75 guarantee policy	14.46	13.63	12.66	13.53	13.53	0.83	0.97
PS2 75/100 guarantee policy	14.47	13.63	12.66	13.54	13.54	0.84	0.97
PS2 100/100 guarantee policy	14.46	13.63	12.66	13.53	13.53	0.83	0.97
PS 75/75 guarantee policy	10.80	10.36	9.80	10.67	10.86	0.44	0.56
PS 75/100 guarantee policy	10.73	10.30	9.75	10.63	10.83	0.43	0.55
PS 100/100 guarantee policy	10.62	10.22	9.69	10.58	—	0.40	0.53
PPS 75/75 guarantee policy	11.22	10.70	10.06	10.89	11.02	0.52	0.64
PPS 75/100 guarantee policy	11.14	10.64	10.01	10.85	10.99	0.50	0.63
PPS 100/100 guarantee policy	11.06	—	—	10.81	—	0.48	—

As at December 31, 2024

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Unconstrained Fund (Mackenzie) SF530 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Unconstrained Fund (Mackenzie) SF530

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Unconstrained Fund (Mackenzie) SF530

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.36	2.34	2.33	2.33	2.29
75/100 guarantee policy	2.47	2.45	2.44	2.44	2.40
100/100 guarantee policy	2.64	2.62	2.61	2.61	2.57
PS1 75/75 guarantee policy	1.78	1.76	1.75	1.75	1.71
PS1 75/100 guarantee policy	1.89	1.87	1.87	1.86	1.82
PS1 100/100 guarantee policy	2.06	2.04	2.03	2.03	1.98
PS 75/75 guarantee policy	1.80	1.78	1.77	1.77	1.74
PS 75/100 guarantee policy	1.91	1.89	1.88	1.88	1.86
PS 100/100 guarantee policy	2.08	2.06	2.07	2.04	—
PPS 75/75 guarantee policy	1.21	1.20	1.19	1.19	1.15
PPS 75/100 guarantee policy	1.33	1.32	1.31	1.30	1.27
PPS 100/100 guarantee policy	1.51	—	—	1.47	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	1.78	1.76	1.75	1.75	1.73
PS1 75/100 guarantee policy	1.89	1.87	1.87	1.86	1.84
PS1 100/100 guarantee policy	2.06	2.04	2.03	2.03	2.00
PPS 75/75 guarantee policy	1.21	1.20	1.19	1.19	1.17
PPS 75/100 guarantee policy	1.33	1.32	1.31	1.30	1.29

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.07	8.34	8.25	7.73	18.97

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE BOND FUND (PIM) SF531

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Bond Fund (PIM) SF531 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Bond Fund (PIM) SF531

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 9,502	\$ 21,337
Investment income due and accrued	1,157	2,278
Due from The Canada Life Assurance Company (note 8)	290	108
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	149,292	352,264
Stocks	12	11,942
Investment fund units	—	—
Derivatives (note 7)	331	1,332
Total investments	149,635	365,538
Total assets	\$ 160,584	\$ 389,261
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	183
Due to outside parties	—	—
Derivatives (note 7)	544	280
Total liabilities excluding net assets attributable to contractholders	544	463
Net assets attributable to contractholders	\$ 160,040	\$ 388,798

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 16,556	\$ 23,167
Miscellaneous income (loss)	38	228
Total income (loss)	16,594	23,395
Expenses		
Management fees (note 8)	1,814	1,438
Transaction costs	—	1
Withholding taxes	—	—
Other	232	168
Total expenses	2,046	1,607
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 14,548	\$ 21,788

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 388,798	\$ 329,509
Contractholder deposits	66,479	73,044
Contractholder withdrawals	(309,785)	(35,543)
Increase (decrease) in net assets from operations attributable to contractholders	14,548	21,788
Change in net assets attributable to contractholders	(228,758)	59,289
Net assets attributable to contractholders - end of year	\$ 160,040	\$ 388,798

Core Bond Fund (PIM) SF531

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 14,548	\$ 21,788
Adjustments		
Add back amortization of premium (discount)	674	(502)
Realized (gains) losses	2,350	9,159
Unrealized (gains) losses	(8,052)	(20,132)
Gross proceeds of disposition of investments	467,809	263,445
Gross payments for the purchase of investments	(246,614)	(302,905)
Change in investment income due and accrued	1,121	(410)
Change in due from/to The Canada Life Assurance Company	(182)	62
Change in due from/to brokers	(183)	183
Change in due from/to outside parties	—	—
	<u>231,471</u>	<u>(29,312)</u>
Financing Activities		
Contractholder deposits	66,479	73,044
Contractholder withdrawals	(309,785)	(35,543)
	<u>(243,306)</u>	<u>37,501</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(11,835)	8,189
Cash, short-term deposits and overdrafts, beginning of year	21,337	13,148
Cash, short-term deposits and overdrafts, end of year	\$ 9,502	\$ 21,337
Supplementary cash flow information		
Interest income received	\$ 11,422	\$ 9,985
Dividend income received	260	427

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 3.10% 06-15-2028	4,817,000	4,811	4,832
Government of Canada 2.75% 12-01-2055	4,811,000	4,292	4,275
Government of Canada 3.00% 06-01-2034	9,858,000	9,665	9,689
Government of Canada 3.25% 09-01-2028	701,000	689	709
Government of Canada 3.25% 12-01-2034	4,521,000	4,463	4,530
Total Federal Government		23,920	24,035
Provincial Government			
Ontario Power Generation Inc. 1.17% 04-22-2026	200,000	181	195
Ontario Power Generation Inc. 4.831% 06-28-2034	280,000	280	293
Province of Alberta 2.95% 06-01-2052	2,930,000	2,505	2,338
Province of Alberta 4.15% 06-01-2033	367,000	365	380
Province of Alberta 4.45% 12-01-2054	724,000	769	754
Province of British Columbia 4.45% 12-18-2055	577,000	599	599
Province of Manitoba 2.05% 09-05-2052	807,000	563	515
Province of Manitoba 3.80% 09-05-2053	599,000	547	550
Province of Ontario 1.55% 11-01-2029	264,000	260	245
Province of Ontario 3.80% 12-02-2034	7,865,000	7,845	7,836
Province of Ontario 4.05% 02-02-2032	1,130,000	1,129	1,169
Province of Ontario 4.10% 03-04-2033	637,000	635	657
Province of Ontario 4.15% 06-02-2034	7,914,000	8,077	8,132
Province of Ontario 4.60% 12-02-2055	3,064,000	3,267	3,286
Province of Quebec 3.65% 05-20-2032	240,000	240	242
Province of Quebec 3.90% 11-22-2032	270,000	266	276
Province of Quebec 4.20% 12-01-2057	1,860,000	1,828	1,855
Province of Quebec 4.40% 12-01-2055	3,999,000	4,071	4,123
Province of Quebec 4.45% 09-01-2034	3,001,000	3,045	3,147
Province of Saskatchewan 2.15% 06-02-2031	87,000	76	81
Province of Saskatchewan 2.80% 12-02-2052	1,222,000	1,235	942
Province of Saskatchewan 4.20% 12-02-2054	1,148,000	1,163	1,146
Total Provincial Government		38,946	38,761

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Municipal Government			
City of Montreal 3.15% 09-01-2028	274,000	299	273
City of Ottawa 3.05% 05-10-2039	55,000	58	48
City of Ottawa 3.25% 11-10-2047	21,000	23	17
City of Toronto 5.20% 06-01-2040	287,000	394	314
Total Municipal Government		774	652
Corporate - Non-convertible			
407 International Inc. 3.43% 06-01-2033	520,000	501	501
407 International Inc. 3.67% 03-08-2049	668,000	572	582
407 International Inc. 4.22% 02-14-2028	209,000	209	213
407 International Inc. 4.54% 10-09-2054	63,000	63	63
407 International Inc. 4.86% 07-31-2053	119,000	119	125
Aéroports de Montreal 3.03% 04-21-2050	5,000	4	4
Aéroports de Montreal 3.36% 04-24-2047	343,000	267	289
Aéroports de Montreal 3.918% 06-12-2045	26,000	24	24
Aéroports de Montreal 6.55% 10-11-2033	39,000	46	45
AIMCo Realty Investors LP 2.195% 11-04-2026	271,000	271	266
AIMCo Realty Investors LP 2.712% 06-01-2029	367,000	330	352
Alectra Inc. 1.751% 02-11-2031	246,000	216	220
Algonquin Power & Utilities Corp. 4.09% 02-17-2027	51,000	58	52
Algonquin Power & Utilities Corp. 4.60% 01-29-2029	92,000	91	95
Algonquin Power Co. 2.85% 07-15-2031	267,000	267	267
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	100,000	100	108
AltaLink LP 4.742% 05-22-2054	153,000	153	158
AltaLink LP 5.463% 10-11-2055	157,000	157	181
ARC Resources Ltd. 3.465% 03-10-2031	118,000	113	113
ATCO Ltd. Floating Rate 11-01-2078	206,000	203	211
Bank of Montreal 4.30% 11-26-2025	913,000	909	911
Bank of Montreal 4.42% 07-17-2029	840,000	840	863
Bank of Montreal 4.537% 12-18-2028	547,000	547	564
Bank of Montreal 4.976% 07-03-2034	400,000	400	413
Bank of Montreal 6.034% 09-07-2033	516,000	515	551
Bank of Montreal 7.325% 11-26-2082	944,000	945	998

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
BCI QuadReal Realty 1.073% 02-04-2026	116,000	116	113
BCI QuadReal Realty 2.551% 06-24-2026	8,000	7	8
BCIMC Realty Corp. 2.84% 06-03-2025	87,000	92	87
Bell Canada 2.20% 05-29-2028	72,000	72	69
Bell Canada 3.00% 03-17-2031	77,000	66	72
Bell Canada 4.45% 02-27-2047	31,000	36	28
Bell Canada 5.15% 08-24-2034	153,000	152	159
Bell Canada 5.15% 11-14-2028	412,000	414	430
BMW Canada Inc. 3.99% 10-10-2028	45,000	45	45
British Columbia Investment Management Corp. 4.90% 06-02-2033	498,000	520	539
Brookfield Infrastructure Finance ULC 4.193% 09-11-2028	228,000	225	231
Brookfield Infrastructure Finance ULC 5.616% 11-14-2027	397,000	397	418
Brookfield Renewable Energy Partners LP 3.63% 01-15-2027	274,000	295	275
Brookfield Renewable Partners ULC 4.25% 01-15-2029	589,000	671	600
Brookfield Renewable Partners ULC 4.959% 10-20-2034	230,000	230	238
Brookfield Renewable Partners ULC 5.292% 10-28-2033	134,000	141	143
Bruce Power LP 4.00% 06-21-2030	434,000	433	436
Bruce Power LP 4.27% 12-21-2034	54,000	54	54
Bruce Power LP 4.99% 12-21-2032	70,000	70	74
Calgary Airport Authority 3.554% 10-07-2051	123,000	107	105
Calgary Airport Authority 3.554% 10-07-2053	130,000	105	110
Cameco Corp. 4.94% 05-24-2031	180,000	180	187
Canadian Core Real Estate 3.299% 03-02-2027	286,000	286	283
Canadian Core Real Estate LP 4.482% 10-16-2029	72,000	72	73
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	107,000	107	107
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	243,000	240	245
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	496,000	494	495
Canadian Imperial Bank of Commerce 4.90% 06-12-2034	420,000	419	433
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	259,000	258	269
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	345,000	345	360
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	244,000	244	254
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	220,000	219	230
Canadian National Railway Co. 4.40% 05-10-2033	235,000	235	241
Canadian Natural Resources Ltd. 3.42% 12-01-2026	65,000	69	65

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Canadian Natural Resources Ltd. 4.15% 12-15-2031	80,000	80	80
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	780,000	733	759
Canadian Utilities Ltd. 4.851% 06-03-2052	188,000	187	193
Canadian Western Bank 4.571% 07-11-2028	100,000	100	103
Canadian Western Bank 5.146% 09-02-2027	251,000	251	262
Canadian Western Bank 5.937% 12-22-2032	116,000	116	122
Canadian Western Bank 5.949% 01-29-2034	190,000	190	203
Capital Power Corp. 4.831% 09-16-2031	195,000	195	199
CDP Financial Inc. 4.20% 12-02-2030	411,000	415	429
Central 1 Credit Union 5.877% 11-10-2026	194,000	194	201
CGI Inc. 3.987% 09-07-2027	103,000	103	104
CGI Inc. 4.147% 09-05-2029	73,000	73	74
Choice Properties REIT 2.848% 05-21-2027	195,000	200	192
Choice Properties REIT 3.532% 06-11-2029	590,000	526	581
Coast Capital Savings Federal Credit Union 7.005% 09-28-2026	360,000	360	377
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	110,000	110	115
Coastal Gaslink Pipeline LP 4.907% 06-30-2031	140,000	140	148
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	130,000	130	140
Coastal Gaslink Pipeline LP 5.538% 06-30-2039	349,000	377	386
Cogeco Communications Inc. 5.299% 02-16-2033	110,000	110	115
CPPIB Capital Inc. 2.25% 12-01-2031	690,000	641	638
Crombie REIT 2.686% 03-31-2028	204,000	204	197
Crombie REIT 3.133% 08-12-2031	140,000	136	129
Crombie REIT 3.677% 08-26-2026	16,000	17	16
Crombie REIT 4.732% 01-15-2032	53,000	53	54
CU Inc. 4.085% 09-02-2044	51,000	51	48
CU Inc. 5.088% 09-20-2053	280,000	280	304
Dollarama Inc. 5.533% 09-26-2028	297,000	297	316
Dream Industrial REIT 1.662% 12-22-2025	172,000	172	169
Dream Industrial REIT 2.057% 06-17-2027	320,000	306	307
Dream Industrial REIT 2.539% 12-07-2026	206,000	206	202
Dream Industrial REIT 5.383% 03-22-2028	283,000	284	295
Dream Summit Industrial LP 4.507% 02-12-2031	48,000	48	48
Enbridge Gas Inc. 5.70% 10-06-2033	460,000	477	513

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Enbridge Inc. 4.73% 08-22-2034	310,000	312	317
Enbridge Inc. 5.375% 09-27-2077	1,444,000	1,494	1,459
Enbridge Inc. 6.625% 04-12-2078	753,000	829	792
Enbridge Inc. 8.495% 01-15-2084	99,000	103	110
Enbridge Pipelines Inc. 4.20% 05-12-2051	296,000	253	260
Enbridge Pipelines Inc. 4.33% 02-22-2049	289,000	276	260
Enbridge Pipelines Inc. 4.55% 09-29-2045	46,000	41	43
Enbridge Pipelines Inc. 5.82% 08-17-2053	39,000	42	43
Energir Inc. 2.10% 04-16-2027	128,000	131	124
Energir LP 4.67% 09-27-2032	201,000	201	208
ENMAX Corp. 4.695% 10-09-2034	66,000	66	67
EPCOR Utilities Inc. 3.106% 07-08-2049	170,000	127	134
EPCOR Utilities Inc. 3.554% 11-27-2047	40,000	41	34
EPCOR Utilities Inc. 4.725% 09-02-2052	271,000	271	278
EPCOR Utilities Inc. 4.99% 05-31-2054	355,000	355	380
EPCOR Utilities Inc. 5.326% 10-03-2053	331,000	343	371
Equitable Bank 1.876% 11-26-2025	48,000	43	47
Equitable Bank 3.362% 03-02-2026	227,000	227	226
Equitable Bank 3.91% 12-17-2027	345,000	345	345
Equitable Bank 3.99% 03-24-2028	84,000	84	84
Equitable Bank 5.16% 01-11-2027	376,000	376	386
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	696,000	662	690
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	194,000	187	197
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	106,000	106	106
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	276,000	276	282
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	570,000	570	587
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	380,000	380	397
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	498,000	502	529
First Capital REIT 3.447% 03-01-2028	83,000	73	82
First Capital REIT 4.513% 06-03-2030	143,000	143	144
First Capital REIT 5.455% 06-12-2032	150,000	150	157
First Capital REIT 5.57% 03-01-2031	387,000	393	410
First National Financial Corp. 2.961% 11-17-2025	17,000	17	17
First West Credit Union 9.186% 08-09-2033	210,000	210	237

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Ford Credit Canada Co. 4.792% 09-12-2029	78,000	78	79
Ford Credit Canada Co. 5.242% 05-23-2028	150,000	150	154
Ford Credit Canada Co. 5.441% 02-09-2029	101,000	101	105
Ford Credit Canada Co. 6.326% 11-10-2026	230,000	230	240
Fortis Inc. 4.171% 09-09-2031	159,000	159	160
Fortis Inc. 4.431% 05-31-2029	367,000	367	377
Fortis Inc. 5.677% 11-08-2033	180,000	180	198
FortisBC Energy Inc. 4.67% 11-28-2052	95,000	96	96
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	261,000	261	270
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	173,000	173	180
George Weston Ltd. 4.193% 09-05-2029	86,000	86	87
Gibson Energy Inc. 4.45% 11-12-2031	54,000	54	55
Gibson Energy Inc. 5.75% 07-12-2033	286,000	287	310
Granite REIT Holdings LP 2.194% 08-30-2028	660,000	615	622
Granite REIT Holdings LP 3.062% 06-04-2027	263,000	259	259
Granite REIT Holdings LP 3.999% 10-04-2029	78,000	78	78
Greater Toronto Airports Authority 1.54% 05-03-2028	9,000	8	8
Greater Toronto Airports Authority 2.75% 10-17-2039	531,000	535	437
Greater Toronto Airports Authority 5.63% 06-07-2040	121,000	164	137
Greater Toronto Airports Authority 6.47% 02-02-2034	181,000	250	211
H&R REIT 4.071% 06-16-2025	305,000	329	305
Hydro One Inc. 4.16% 01-27-2033	173,000	173	176
Hydro One Inc. 4.39% 03-01-2034	340,000	340	350
Hydro One Inc. 4.85% 11-30-2054	700,000	713	738
Hydro One Inc. 4.89% 03-13-2037	455,000	443	475
Hyundai Capital Canada Inc. 4.895% 01-31-2029	390,000	390	404
iA Financial Corp. Inc. 2.40% 02-21-2025	14,000	14	14
iA Financial Corp. Inc. 4.131% 12-05-2034	69,000	69	69
iA Financial Corp. Inc. 5.685% 06-20-2033	171,000	171	181
Intact Financial Corp. 4.125% 03-31-2081	81,000	81	80
Intact Financial Corp. 4.653% 05-16-2034	161,000	161	166
Intact Financial Corp. 5.276% 09-14-2054	182,000	196	201
Intact Financial Corp. 5.459% 09-22-2032 144A	187,000	248	269
Inter Pipeline Ltd. 3.484% 12-16-2026	531,000	554	530

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
John Deere Financial Inc. 5.17% 09-15-2028	99,000	98	105
Keyera Corp. 3.959% 05-29-2030	96,000	102	96
Loblaw Companies Ltd. 5.115% 03-04-2054	410,000	410	424
Lower Mattagami Energy LP 2.433% 05-14-2031	280,000	280	259
Lower Mattagami Energy LP 4.691% 06-07-2054	180,000	180	184
Lower Mattagami Energy LP 4.854% 10-31-2033	112,000	112	119
Manulife Financial Corp. 4.064% 12-06-2034	149,000	149	149
Manulife Financial Corp. 5.054% 02-23-2034	372,000	372	388
Manulife Financial Corp. 5.409% 03-10-2033	633,000	644	664
Manulife Financial Corp. 7.117% 06-19-2082	320,000	318	333
MCAP Commercial LP 3.743% 08-25-2025	29,000	30	29
Metro Inc. 4.657% 02-07-2033	80,000	80	83
National Bank of Canada 5.023% 02-01-2029	584,000	591	613
National Bank of Canada 5.219% 06-14-2028	508,000	507	534
National Bank of Canada 5.279% 02-15-2034	200,000	200	209
National Bank of Canada 5.426% 08-16-2032	94,000	94	98
North West Redwater Partnership 3.65% 06-01-2035	434,000	377	409
North West Redwater Partnership 3.70% 02-23-2043	627,000	597	552
North West Redwater Partnership/NWR Financing Co. Ltd. 2.80% 06-01-2031	879,000	847	826
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	240,000	240	251
OMERS Finance Trust 2.60% 05-14-2029	54,000	56	52
Ontario Teachers' Finance Trust 4.30% 06-02-2034	1,081,000	1,096	1,113
Pembina Pipeline Corp. 4.02% 03-27-2028	490,000	495	495
Pembina Pipeline Corp. 4.74% 01-21-2047	209,000	200	197
Pembina Pipeline Corp. 5.67% 01-12-2054	260,000	260	279
Prologis Inc. 4.70% 03-01-2029	173,000	173	179
Prologis LP 5.25% 01-15-2031	110,000	108	116
PSP Capital Inc. 0.90% 06-15-2026	330,000	299	320
PSP Capital Inc. 2.60% 03-01-2032	100,000	100	94
PSP Capital Inc. 4.15% 06-01-2033	5,000	5	5
PSP Capital Inc. 4.25% 12-01-2055	535,000	531	539
Reliance LP 2.67% 08-01-2028	291,000	291	278
Reliance LP 5.25% 05-15-2031	428,000	430	446
RioCan REIT 2.361% 03-10-2027	27,000	27	26

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
RioCan REIT 2.829% 11-08-2028	256,000	227	245
Rogers Communications Inc. 3.10% 04-15-2025	49,000	47	49
Rogers Communications Inc. 3.75% 04-15-2029	531,000	530	528
Rogers Communications Inc. 5.70% 09-21-2028	385,000	391	409
Rogers Communications Inc. 5.90% 09-21-2033	133,000	145	146
Rogers Communications Inc. 6.75% 11-09-2039	178,000	204	207
Royal Bank of Canada 4.00% 10-17-2030	373,000	373	377
Royal Bank of Canada 4.464% 10-17-2035	124,000	124	126
Royal Bank of Canada 4.50% 11-24-2080	209,000	207	209
Royal Bank of Canada 4.632% 05-01-2028	313,000	313	323
Royal Bank of Canada 4.642% 01-17-2028	234,000	234	241
Royal Bank of Canada 5.096% 04-03-2034	419,000	419	436
Royal Bank of Canada 5.235% 11-02-2026	533,000	535	550
Royal Bank of Canada Floating Rate 08-08-2034	502,000	502	517
Sagen MI Canada Inc. 3.261% 03-05-2031	118,000	118	107
Sagen MI Canada Inc. 4.95% 03-24-2081	185,000	185	171
Saputo Inc. 5.492% 11-20-2030	330,000	330	354
Sienna Senior Living Inc. 2.82% 03-31-2027	100,000	100	98
Sienna Senior Living Inc. 3.45% 02-27-2026	470,000	480	469
Sienna Senior Living Inc. 4.436% 10-17-2029	26,000	26	26
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	119,000	119	121
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	200,000	200	203
Stella-Jones Inc. 4.312% 10-01-2031	66,000	66	66
Sun Life Financial Inc. 2.06% 10-01-2035	69,000	66	62
Sun Life Financial Inc. 4.78% 08-10-2034	998,000	994	1,036
Sun Life Financial Inc. 5.12% 05-15-2036	470,000	470	496
Sun Life Financial Inc. 5.50% 07-04-2035	154,000	154	165
Suncor Energy Inc. 3.95% 03-04-2051	159,000	157	137
Suncor Energy Inc. 5.40% 11-17-2026	163,000	163	168
TELUS Corp. 2.85% 11-13-2031	33,000	28	30
TELUS Corp. 3.30% 05-02-2029	430,000	431	421
TELUS Corp. 4.80% 12-15-2028	102,000	102	106
TELUS Corp. 4.95% 02-18-2031	197,000	196	205
Teranet Holdings LP 3.719% 02-23-2029	318,000	318	309

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
The Bank of Nova Scotia 3.10% 02-02-2028	640,000	670	635
The Bank of Nova Scotia 3.836% 09-26-2030	451,000	449	452
The Bank of Nova Scotia 3.934% 05-03-2032	316,000	316	317
The Bank of Nova Scotia 4.442% 11-15-2035	62,000	62	63
The Bank of Nova Scotia 4.68% 02-01-2029	269,000	269	279
The Bank of Nova Scotia 4.95% 08-01-2034	338,000	337	349
The Bank of Nova Scotia 5.679% 08-02-2033	207,000	207	219
The Bank of Nova Scotia 7.023% 07-27-2082	859,000	854	895
The Empire Life Insurance Co. 3.625% 04-17-2026	135,000	135	122
The Empire Life Insurance Co. 5.503% 01-13-2033	161,000	161	168
The Independent Order of Foresters 2.885% 10-15-2035	251,000	252	227
The Toronto-Dominion Bank 3.06% 01-26-2032	563,000	567	556
The Toronto-Dominion Bank 4.002% 10-31-2030	155,000	155	156
The Toronto-Dominion Bank 4.423% 10-31-2035	195,000	195	197
The Toronto-Dominion Bank 4.477% 01-18-2028	888,000	895	911
The Toronto-Dominion Bank 4.68% 01-08-2029	76,000	76	79
The Toronto-Dominion Bank 5.423% 07-10-2026	320,000	320	329
The Toronto-Dominion Bank 5.491% 09-08-2028	500,000	500	531
TMX Group Ltd. 2.016% 02-12-2031	161,000	160	146
TMX Group Ltd. 4.678% 08-16-2029	150,000	150	157
Toronto Hydro Corp. 4.61% 06-14-2033	364,000	364	381
Toronto Hydro Corp. 4.95% 10-13-2052	33,000	34	35
Tourmaline Oil Corp. 2.529% 02-12-2029	156,000	156	149
Toyota Credit Canada Inc. 3.73% 10-02-2029	100,000	100	100
Toyota Credit Canada Inc. 4.44% 06-27-2029	210,000	210	216
TransCanada PipeLines Ltd. 5.277% 07-15-2030	841,000	858	893
TransCanada PipeLines Ltd. 5.33% 05-12-2032	132,000	140	141
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	1,164,000	1,166	1,156
Transcontinental Inc. 2.667% 02-03-2025	105,000	99	105
Vancouver Airport Authority 1.76% 09-20-2030	233,000	207	210
Ventas Canada Finance Ltd. 5.398% 04-21-2028	341,000	341	357
Veren Inc. 4.968% 06-21-2029	141,000	141	145
Videotron Ltd. 3.125% 01-15-2031	271,000	251	255
Videotron Ltd. 4.65% 07-15-2029	180,000	180	185

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
VW Credit Canada Inc. 4.21% 08-19-2027	100,000	101	101
VW Credit Canada Inc. 4.42% 08-20-2029	278,000	279	280
VW Credit Canada Inc. 5.73% 09-20-2028	75,000	80	79
Waste Management of Canada Corp. 2.60% 09-23-2026	187,000	196	185
Whitecap Resources Inc. 4.382% 11-01-2029	80,000	80	81
WSP Global Inc. 2.408% 04-19-2028	264,000	266	254
WSP Global Inc. 4.12% 09-12-2029	76,000	76	77
Total Corporate - Non-convertible		72,048	73,238
Total Canadian Bonds		135,688	136,686
United States Bonds			
Federal Government			
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2,490,000	3,516	3,412
Total Federal Government		3,516	3,412
Corporate - Non-convertible			
AT&T Inc. 4.85% 05-25-2047	112,000	101	108
Athene Global Funding 5.113% 03-07-2029	260,000	260	271
Bank of America Corp. 3.615% 03-16-2028	1,058,000	1,010	1,058
Broadcom Inc. 4.11% 09-15-2028	223,000	284	313
Glencore Funding LLC 5.338% 04-04-2027 144A	120,000	163	174
Glencore Funding LLC 5.70% 05-08-2033 144A	232,000	320	337
JPMorgan Chase & Co. 1.896% 03-05-2028	495,000	492	479
Nestle Holdings Inc. 2.192% 01-26-2029	328,000	328	313
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	193,000	232	251
NextEra Energy Capital Holdings Inc. 4.85% 04-30-2031	470,000	472	490
The Goldman Sachs Group Inc. 2.599% 11-30-2027	618,000	618	608
The Walt Disney Co. 3.057% 03-30-2027	488,000	518	484
T-Mobile USA Inc. 3.75% 04-15-2027	163,000	203	229

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
T-Mobile USA Inc. 5.15% 04-15-2034	80,000	107	113
T-Mobile USA Inc. 5.20% 01-15-2033	253,000	330	361
Verizon Communications Inc. 2.375% 03-22-2028	548,000	523	529
Wells Fargo & Co. 2.975% 05-19-2026	527,000	517	523
Zoetis Inc. 2.00% 05-15-2030	214,000	235	265
Total Corporate - Non-convertible		6,713	6,906
Total United States Bonds		10,229	10,318
Global Bonds			
Australia			
Transurban Finance Co. Pty Ltd. 4.555% 11-14-2028	143,000	157	144
Chile			
AES Andes SA 6.30% 03-15-2029	229,000	309	332
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	224,000	224	219
Heathrow Funding Ltd. 3.40% 03-08-2028	398,000	367	395
Heathrow Funding Ltd. 3.726% 04-13-2033	428,000	413	407
Heathrow Funding Ltd. 3.782% 09-04-2030	94,000	87	93
Mexico			
Becle SAB de CV 2.50% 10-14-2031	335,000	420	386
Netherlands			
NXP BV/NXP Funding LLC/NXP USA Inc. 2.65% 02-15-2032	110,000	141	133
Supra-National			
International Bank for Reconstruction and Development 1.95% 09-20-2029	43,000	43	41

Core Bond Fund (PIM) SF531

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
United Kingdom			
Anglian Water Services Financing PLC 4.525% 08-26-2032	140,000	140	138
Total Global Bonds		2,301	2,288
Total Bonds		148,218	149,292
Canadian Preferred Stock			
Communication Services			
BCE Inc. 2.75% Preferred	77	1	1
Financials			
Brookfield Corp. 4.80% Preferred Conv.	275	7	7
Total Canadian Preferred Stock		8	8
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	180	4	4
Total Global Preferred Stock		4	4
Total Stocks		12	12

Core Bond Fund (PIM) SF531
Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7138	January 10, 2025	United States Dollar	1,278	Canadian Dollar	1,245	33
0.7172	January 10, 2025	United States Dollar	27	Canadian Dollar	26	1
0.7267	January 17, 2025	United States Dollar	6,645	Canadian Dollar	6,363	282
0.7236	February 14, 2025	United States Dollar	174	Canadian Dollar	167	7
Derivatives - Assets						323
1.3870	January 10, 2025	Canadian Dollar	5,148	United States Dollar	5,278	(130)
1.3656	January 10, 2025	Canadian Dollar	5,510	United States Dollar	5,710	(200)
1.3859	February 7, 2025	Canadian Dollar	971	United States Dollar	995	(24)
1.3854	February 7, 2025	Canadian Dollar	5,094	United States Dollar	5,223	(129)
1.3801	February 14, 2025	Canadian Dollar	1,062	United States Dollar	1,092	(30)
1.4126	February 21, 2025	Canadian Dollar	841	United States Dollar	851	(10)
1.3925	February 21, 2025	Canadian Dollar	912	United States Dollar	932	(20)
1.4269	April 9, 2025	Canadian Dollar	280	United States Dollar	281	(1)
Derivatives - Liabilities						(544)
Total Forward Currency Contracts						(221)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(15)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 1,784	CAD 118.91	8
Derivatives - Assets						8
Total Futures Contracts						8

Total Derivative Instruments at Fair Value (213)

Total Investments 148,230 149,091

Core Bond Fund (PIM) SF531

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Core Bond Fund (PIM) SF531 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Core Bond Fund (PIM) SF531

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 358	\$ (7)	\$ 351	\$ 4
Other Currencies	—	2	2	—
Total	\$ 358	\$ (5)	\$ 353	\$ 4
As Percent of Net Assets Attributable to Contractholders				0.2%
				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ (3,930)	\$ 3,510	\$ (420)	\$ (4)
Other Currencies	—	(24)	(24)	—
Total	\$ (3,930)	\$ 3,486	\$ (444)	\$ (4)
As Percent of Net Assets Attributable to Contractholders				(0.1%)
				—%

*Includes both monetary and non-monetary instruments

Core Bond Fund (PIM) SF531

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 2,228	\$ 39,610	\$ 65,740	\$ 41,714	\$ 149,292

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 22,562	\$ 92,429	\$ 153,742	\$ 83,531	\$ 352,264

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$11,158 (\$24,665 at December 31, 2023) or approximately 7.0% (6.3% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

Core Bond Fund (PIM) SF531

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	5.0	4.6	1.6	1.5
AA	42.2	39.4	34.3	31.0
A	20.7	19.3	41.3	37.4
BBB	29.4	27.4	21.8	19.8
BB and lower	2.7	2.6	0.9	0.8
NR *	—	—	0.1	0.1
Total	100.0	93.3	100.0	90.6

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$0 (\$119 at December 31, 2023) or approximately 0.0% (0.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Core Bond Fund (PIM) SF531

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 149,292	\$ —	\$ 149,292
Stocks	12	—	—	12
Derivatives	9	322	—	331
Total assets measured at fair value	\$ 21	\$ 149,614	\$ —	\$ 149,635
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 544	\$ —	\$ 544
Net assets attributable to contractholders measured at fair value	\$ 21	\$ 149,070	\$ —	\$ 149,091

⁽¹⁾ Excludes collateral pledged to counterparties of \$373.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 352,264	\$ —	\$ 352,264
Stocks	11,942	—	—	11,942
Derivatives	99	1,233	—	1,332
Total assets measured at fair value	\$ 12,041	\$ 353,497	\$ —	\$ 365,538
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ 13	\$ 267	\$ —	\$ 280
Net assets attributable to contractholders measured at fair value	\$ 12,028	\$ 353,230	\$ —	\$ 365,258

⁽¹⁾ Excludes collateral pledged to counterparties of \$1,103.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Core Bond Fund (PIM) SF531

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,526,080	1,400,771	1,134,696	1,088,708	1,259,153	15,474	13,792	10,695	11,602	14,042
75/100 guarantee policy	3,507,824	2,795,162	2,278,592	2,616,968	2,983,956	35,391	27,400	21,393	27,796	33,184
100/100 guarantee policy	156,944	152,534	236,257	163,661	294,525	1,574	1,487	2,208	1,731	3,263
PS1 75/75 guarantee policy	1,678,812	1,402,572	899,200	868,290	1,035,759	18,040	14,550	8,878	9,638	11,962
PS1 75/100 guarantee policy	3,698,552	2,674,714	1,823,373	1,890,098	2,011,731	39,538	27,620	17,931	20,907	23,165
PS1 100/100 guarantee policy	185,341	125,903	126,799	125,204	87,791	1,961	1,289	1,237	1,375	1,005
PS2 75/75 guarantee policy	519,923	911,489	188,256	232,724	285,385	6,341	10,582	2,051	2,812	3,538
PS2 75/100 guarantee policy	864,285	535,990	432,171	502,698	490,623	10,540	6,222	4,709	6,073	6,082
PS 75/75 guarantee policy	120,872	92,722	73,946	74,040	97,650	1,271	942	715	805	1,104
PS 75/100 guarantee policy	319,823	260,980	220,839	213,775	192,331	3,350	2,641	2,129	2,318	2,172
PS 100/100 guarantee policy	—	—	1,521	24,023	29,762	—	—	15	260	336
PPS 75/75 guarantee policy	436,465	237,131	213,633	197,559	175,431	4,761	2,483	2,117	2,189	2,011
PPS 75/100 guarantee policy	236,591	165,189	92,509	139,718	106,894	2,572	1,725	915	1,545	1,224
PPS 100/100 guarantee policy	13,175	12,643	13,163	7,563	232,548	142	131	130	83	2,656
75/75 Constellation	1,299,966	944,047	1,022,329	922,507	239,955	12,796	8,983	9,270	9,416	2,552
75/100 Constellation	614,450	654,336	682,827	646,384	272,175	6,015	6,199	6,172	6,584	2,891
100/100 Constellation	28,073	36,610	43,012	37,417	7,362	274	346	388	381	78

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.14	9.85	9.43	10.66	11.15	0.29	0.42
75/100 guarantee policy	10.09	9.80	9.39	10.62	11.12	0.29	0.41
100/100 guarantee policy	10.03	9.75	9.34	10.58	11.08	0.28	0.41
PS1 75/75 guarantee policy	10.75	10.37	9.87	11.10	11.55	0.38	0.50
PS1 75/100 guarantee policy	10.69	10.33	9.83	11.06	11.52	0.36	0.50
PS1 100/100 guarantee policy	10.58	10.23	9.76	10.99	11.45	0.35	0.47
PS2 75/75 guarantee policy	12.20	11.61	10.90	12.08	12.40	0.59	0.71
PS2 75/100 guarantee policy	12.19	11.61	10.90	12.08	12.40	0.58	0.71
PS 75/75 guarantee policy	10.51	10.15	9.66	10.87	11.31	0.36	0.49
PS 75/100 guarantee policy	10.48	10.12	9.64	10.85	11.29	0.36	0.48
PS 100/100 guarantee policy	—	—	9.62	10.82	11.28	—	—
PPS 75/75 guarantee policy	10.91	10.47	9.91	11.08	11.46	0.44	0.56
PPS 75/100 guarantee policy	10.87	10.44	9.89	11.06	11.45	0.43	0.55
PPS 100/100 guarantee policy	10.79	10.38	9.84	11.02	11.42	0.41	0.54
75/75 Constellation	9.84	9.52	9.07	10.21	10.63	0.32	0.45
75/100 Constellation	9.79	9.47	9.04	10.19	10.62	0.32	0.43
100/100 Constellation	9.76	9.45	9.02	10.17	10.61	0.31	0.43

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Core Bond Fund (PIM) SF531

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Bond Fund (PIM) SF531

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.99	1.97	1.96	1.97	1.92
75/100 guarantee policy	2.04	2.02	2.02	2.02	1.98
100/100 guarantee policy	2.10	2.08	2.06	2.08	2.03
PS1 75/75 guarantee policy	1.41	1.39	1.39	1.39	1.36
PS1 75/100 guarantee policy	1.46	1.45	1.45	1.45	1.42
PS1 100/100 guarantee policy	1.57	1.56	1.56	1.55	1.52
PS 75/75 guarantee policy	1.42	1.41	1.41	1.41	1.38
PS 75/100 guarantee policy	1.48	1.47	1.46	1.46	1.43
PS 100/100 guarantee policy	—	—	1.52	1.52	1.49
PPS 75/75 guarantee policy	0.84	0.84	0.83	0.83	0.81
PPS 75/100 guarantee policy	0.90	0.89	0.89	0.89	0.87
PPS 100/100 guarantee policy	1.01	1.00	1.00	1.01	0.98
75/75 Constellation	1.54	1.52	1.52	1.51	1.48
75/100 Constellation	1.65	1.63	1.63	1.62	1.59
100/100 Constellation	1.70	1.69	1.68	1.67	1.66

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	88.85	79.10	113.67	94.22	7.94

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
EMERGING MARKETS FUND (MACKENZIE) SF532

December 31, 2024

Independent Auditor's Report

To the Contractholders of Emerging Markets Fund (Mackenzie) SF532 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Emerging Markets Fund (Mackenzie) SF532

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	3
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	6,099	6,209
Total investments	6,099	6,209
Total assets	\$ 6,100	\$ 6,212
Liabilities		
Overdrafts	\$ —	\$ 3
Due to The Canada Life Assurance Company (note 8)	—	16
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	19
Net assets attributable to contractholders	\$ 6,100	\$ 6,193

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,173	\$ 1,065
Miscellaneous income (loss)	—	—
Total income (loss)	1,173	1,065
Expenses		
Management fees (note 8)	179	185
Other	16	18
Total expenses	195	203
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 978	\$ 862

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 6,193	\$ 6,547
Contractholder deposits	251	50
Contractholder withdrawals	(1,322)	(1,266)
Increase (decrease) in net assets from operations attributable to contractholders	978	862
Change in net assets attributable to contractholders	(93)	(354)
Net assets attributable to contractholders - end of year	\$ 6,100	\$ 6,193

Emerging Markets Fund (Mackenzie) SF532

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 978	\$ 862
Adjustments		
Realized (gains) losses	(249)	(52)
Unrealized (gains) losses	(770)	(850)
Gross proceeds of disposition of investments	1,700	1,469
Gross payments for the purchase of investments	(417)	(61)
Distribution income of underlying mutual fund	(154)	(163)
Change in due from/to The Canada Life Assurance Company	(16)	10
Change in due from/to brokers	3	(2)
	<u>1,075</u>	<u>1,213</u>
Financing Activities		
Contractholder deposits	251	50
Contractholder withdrawals	(1,322)	(1,266)
	<u>(1,071)</u>	<u>(1,216)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	4	(3)
Cash, short-term deposits and overdrafts, beginning of year	(3)	—
Cash, short-term deposits and overdrafts, end of year	\$ 1	\$ (3)

Emerging Markets Fund (Mackenzie) SF532

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Emerging Markets Fund Series S *	497,619	4,928	6,099
Total Investments		4,928	6,099

Top 25 Holdings

Security Description	% of Total
Taiwan Semiconductor Manufacturing Co. Ltd.	10.28%
Tencent Holdings Ltd.	5.01%
Hon Hai Precision Industry Co. Ltd.	2.25%
China Tower Corp. Ltd.	1.83%
Geely Automobile Holdings Ltd.	1.82%
AAC Technologies Holdings Inc.	1.81%
Sunny Optical Technology Group Co. Ltd.	1.78%
Pop Mart International Group Ltd.	1.76%
Dixon Technologies (India) Ltd.	1.75%
HD Korea Shipbuilding and Offshore Engineering Co. Ltd.	1.75%
Kia Motors Corp.	1.75%
Oberoi Realty Ltd.	1.72%
Apollo Hospitals Enterprise Ltd.	1.65%
Larsen & Toubro Ltd.	1.64%
360 Finance Inc.	1.63%
New China Life Insurance Co. Ltd.	1.59%
Saudi British Bank	1.57%
Cash and short-term deposits	1.56%
Trent Ltd.	1.56%
Bharat Petroleum Corp. Ltd.	1.55%
Kingsoft Corp. Ltd.	1.55%
Emirates NBD PJSC	1.54%
MediaTek Inc.	1.51%
Hindalco Industries Ltd.	1.49%
Alibaba Group Holding Ltd.	1.46%

*The issuer of this security is a related company to the issuer of the Fund.

Emerging Markets Fund (Mackenzie) SF532

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	74,954	96,357	111,575	123,830	149,072	1,203	1,324	1,347	1,777	2,075
75/100 guarantee policy	135,718	167,312	207,554	236,079	285,787	2,134	2,259	2,466	3,341	3,933
100/100 guarantee policy	30,630	34,506	44,436	51,655	55,038	467	454	516	716	745
PS1 75/75 guarantee policy	28,311	25,899	30,197	31,083	23,673	487	379	385	468	343
PS1 75/100 guarantee policy	72,724	89,357	97,718	105,426	107,959	1,201	1,261	1,207	1,543	1,528
PS1 100/100 guarantee policy	16,169	19,494	15,612	15,612	15,612	257	265	187	222	216
PS2 75/75 guarantee policy	4,813	3,860	12,881	12,807	13,877	104	69	197	225	229
PS2 75/100 guarantee policy	8,566	9,178	14,686	18,252	18,053	186	165	225	321	298
PS2 100/100 guarantee policy	1,534	—	—	—	—	33	—	—	—	—
PS 75/75 guarantee policy	1,388	661	652	652	652	19	8	7	8	8
PS 75/100 guarantee policy	480	776	959	1,018	2,392	7	9	10	12	27
PPS 75/100 guarantee policy	142	—	—	—	—	2	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.05	13.75	12.07	14.35	13.92	2.30	1.68
75/100 guarantee policy	15.72	13.50	11.88	14.15	13.76	2.22	1.62
100/100 guarantee policy	15.26	13.14	11.61	13.87	13.53	2.12	1.53
PS1 75/75 guarantee policy	17.19	14.62	12.75	15.04	14.48	2.57	1.87
PS1 75/100 guarantee policy	16.52	14.11	12.36	14.64	14.16	2.41	1.75
PS1 100/100 guarantee policy	15.86	13.61	11.97	14.25	13.84	2.25	1.64
PS2 75/75 guarantee policy	21.71	17.99	15.29	17.58	16.50	3.72	2.70
PS2 75/100 guarantee policy	21.71	17.99	15.29	17.58	16.50	3.72	2.70
PS2 100/100 guarantee policy	21.75	—	—	—	—	3.76	—
PS 75/75 guarantee policy	13.87	11.76	10.21	12.00	11.52	2.11	1.55
PS 75/100 guarantee policy	13.68	11.62	10.11	11.91	11.46	2.06	1.51
PPS 75/100 guarantee policy	14.15	—	—	—	—	2.20	—

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Emerging Markets Fund (Mackenzie) SF532 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Emerging Markets Fund (Mackenzie) SF532

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Emerging Markets Fund (Mackenzie) SF532

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.31	3.29	3.29	3.31	3.32
75/100 guarantee policy	3.53	3.51	3.51	3.53	3.54
100/100 guarantee policy	3.86	3.83	3.83	3.85	3.87
PS1 75/75 guarantee policy	2.58	2.56	2.55	2.55	2.54
PS1 75/100 guarantee policy	3.02	3.00	2.99	2.99	2.97
PS1 100/100 guarantee policy	3.46	3.43	3.42	3.43	3.41
PS 75/75 guarantee policy	2.21	2.20	2.18	2.21	2.22
PS 75/100 guarantee policy	2.42	2.41	2.40	2.43	2.44
PPS 75/100 guarantee policy	1.92	—	—	—	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.58	2.56	2.55	2.57	2.60
PS1 75/100 guarantee policy	3.02	3.00	2.99	3.01	3.03
PS1 100/100 guarantee policy	3.46	3.43	3.42	3.45	3.47

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.61	0.94	1.11	1.51	0.95

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS CORE PLUS BOND FUND (MACKENZIE)
SF540

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Core Plus Bond Fund (Mackenzie) SF540 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Core Plus Bond Fund (Mackenzie) SF540

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 125	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	2	10
Due from brokers	—	13
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	48,628	42,785
Total investments	48,628	42,785
Total assets	\$ 48,755	\$ 42,808
Liabilities		
Overdrafts	\$ —	\$ 28
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	28
Net assets attributable to contractholders	\$ 48,755	\$ 42,780

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,536	\$ 2,697
Miscellaneous income (loss)	—	—
Total income (loss)	2,536	2,697
Expenses		
Management fees (note 8)	576	523
Other	64	60
Total expenses	640	583
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,896	\$ 2,114

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 42,780	\$ 39,303
Contractholder deposits	11,141	9,034
Contractholder withdrawals	(7,062)	(7,671)
Increase (decrease) in net assets from operations attributable to contractholders	1,896	2,114
Change in net assets attributable to contractholders	5,975	3,477
Net assets attributable to contractholders - end of year	\$ 48,755	\$ 42,780

Pathways Core Plus Bond Fund (Mackenzie) SF540

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,896	\$ 2,114
Adjustments		
Realized (gains) losses	397	891
Unrealized (gains) losses	(1,130)	(2,241)
Gross proceeds of disposition of investments	4,954	6,924
Gross payments for the purchase of investments	(8,261)	(7,937)
Distribution income of underlying mutual fund	(1,803)	(1,347)
Change in due from/to The Canada Life Assurance Company	8	(34)
Change in due from/to brokers	13	(17)
	<u>(3,926)</u>	<u>(1,647)</u>
Financing Activities		
Contractholder deposits	11,141	9,034
Contractholder withdrawals	(7,062)	(7,671)
	<u>4,079</u>	<u>1,363</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	153	(284)
Cash, short-term deposits and overdrafts, beginning of year	(28)	256
Cash, short-term deposits and overdrafts, end of year	\$ 125	\$ (28)

Pathways Core Plus Bond Fund (Mackenzie) SF540

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Core Plus Fixed Income Fund Series S *	5,184,181	50,984	48,628
Total Investments		50,984	48,628

Top 25 Holdings

Security Description	% of Total
Government of Canada 3.00% 06-01-2034	5.25%
Cash and short-term deposits	4.24%
Province of Quebec 4.40% 12-01-2055	2.95%
Government of Canada 2.75% 12-01-2055	2.82%
Province of Ontario 4.15% 06-02-2034	2.36%
Province of Quebec 4.20% 12-01-2057	2.31%
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.31%
Canada Housing Trust No. 1 1.25% 06-15-2026	1.62%
Province of Ontario 3.80% 12-02-2034	1.56%
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	1.46%
Government of New Zealand 3.50% 04-14-2033	1.45%
Province of Quebec 4.45% 09-01-2034	1.39%
Province of Alberta 3.10% 06-01-2050	1.35%
Rogers Communications Inc. 5.00% 12-17-2081	1.31%
Enbridge Inc. 5.375% 09-27-2077	1.24%
Province of Ontario 4.60% 12-02-2055	0.96%
Royal Bank of Canada 4.50% 11-24-2080	0.76%
Canada Housing Trust No. 1 3.95% 06-15-2028 144A	0.75%
Province of Ontario 2.65% 12-02-2050	0.74%
New Zealand Local Government Funding Agency Ltd. 2.00% 04-15-2037	0.73%
Canada Housing Trust No. 1 2.25% 12-15-2025	0.71%
Bank of Montreal 4.709% 12-07-2027	0.60%
Brookfield Renewable Energy Partners LP 3.63% 01-15-2027	0.60%
Province of Saskatchewan 3.10% 06-02-2050	0.58%
Government of Canada 3.50% 03-01-2034	0.52%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Core Plus Bond Fund (Mackenzie) SF540

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	310,453	238,042	276,612	359,570	249,478	3,066	2,271	2,519	3,736	2,692
75/100 guarantee policy	688,810	677,152	715,665	805,200	869,997	6,752	6,419	6,484	8,331	9,358
PS1 75/75 guarantee policy	412,415	368,454	249,546	203,292	149,214	4,164	3,573	2,297	2,125	1,615
PS1 75/100 guarantee policy	576,782	534,475	590,038	555,277	491,637	5,796	5,161	5,412	5,789	5,313
PS2 75/75 guarantee policy	133,127	120,680	46,681	72,017	23,651	1,466	1,258	455	786	263
PS2 75/100 guarantee policy	89,028	87,373	48,501	58,416	73,009	980	911	473	637	811
PS 75/75 guarantee policy	84,397	80,916	67,492	52,575	28,861	859	791	626	553	314
PS 75/100 guarantee policy	354,313	254,401	147,228	92,871	62,331	3,583	2,474	1,361	975	676
PPS 75/75 guarantee policy	307,562	274,399	270,345	155,482	44,040	3,203	2,729	2,539	1,649	481
PPS 75/100 guarantee policy	589,014	493,673	369,296	231,885	81,148	6,105	4,890	3,455	2,452	884
75/75 Constellation	541,533	519,341	538,108	500,022	223,333	5,448	5,024	4,948	5,223	2,412
75/100 Constellation	713,405	737,631	929,133	815,357	368,189	7,137	7,104	8,516	8,498	3,972
100/100 Constellation	19,588	18,208	23,780	63,545	35,726	196	175	218	662	385

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.88	9.54	9.11	10.39	10.79	0.34	0.43
75/100 guarantee policy	9.80	9.48	9.06	10.35	10.76	0.32	0.42
PS1 75/75 guarantee policy	10.10	9.70	9.21	10.45	10.82	0.40	0.49
PS1 75/100 guarantee policy	10.05	9.66	9.17	10.43	10.81	0.39	0.49
PS2 75/75 guarantee policy	11.01	10.42	9.76	10.91	11.11	0.59	0.66
PS2 75/100 guarantee policy	11.01	10.43	9.76	10.91	11.11	0.58	0.67
PS 75/75 guarantee policy	10.17	9.77	9.28	10.53	10.87	0.40	0.49
PS 75/100 guarantee policy	10.11	9.72	9.24	10.50	10.85	0.39	0.48
PPS 75/75 guarantee policy	10.41	9.95	9.39	10.60	10.92	0.46	0.56
PPS 75/100 guarantee policy	10.37	9.91	9.36	10.57	10.90	0.46	0.55
75/75 Constellation	10.06	9.67	9.20	10.45	10.80	0.39	0.47
75/100 Constellation	10.00	9.63	9.17	10.42	10.79	0.37	0.46
100/100 Constellation	9.98	9.61	9.15	10.41	10.78	0.37	0.46

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Core Plus Bond Fund (Mackenzie) SF540 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Core Plus Bond Fund (Mackenzie) SF540

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.00	1.98	2.00	2.00	2.00
75/100 guarantee policy	2.11	2.09	2.11	2.11	2.12
PS1 75/75 guarantee policy	1.43	1.42	1.53	1.71	1.70
PS1 75/100 guarantee policy	1.48	1.47	1.62	1.82	1.82
PS 75/75 guarantee policy	1.44	1.43	1.43	1.44	1.44
PS 75/100 guarantee policy	1.55	1.54	1.54	1.55	1.56
PPS 75/75 guarantee policy	0.87	0.86	0.97	1.14	1.13
PPS 75/100 guarantee policy	0.92	0.92	1.04	1.26	1.26
75/75 Constellation	1.56	1.55	1.55	1.55	1.54
75/100 Constellation	1.67	1.66	1.66	1.66	1.65
100/100 Constellation	1.72	1.71	1.73	1.72	1.70

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	10.97	17.48	15.14	13.60	16.12

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS GLOBAL CORE PLUS BOND FUND
(MACKENZIE) SF541

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Global Core Plus Bond Fund (Mackenzie) SF541 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 4	\$ 11
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	14,050	12,105
Total investments	14,050	12,105
Total assets	\$ 14,054	\$ 12,116
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	6	1
Due to brokers	—	11
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	6	12
Net assets attributable to contractholders	\$ 14,048	\$ 12,104

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 352	\$ 694
Miscellaneous income (loss)	—	—
Total income (loss)	352	694
Expenses		
Management fees (note 8)	209	206
Other	26	26
Total expenses	235	232
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 117	\$ 462

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 12,104	\$ 10,198
Contractholder deposits	3,287	3,149
Contractholder withdrawals	(1,460)	(1,705)
Increase (decrease) in net assets from operations attributable to contractholders	117	462
Change in net assets attributable to contractholders	1,944	1,906
Net assets attributable to contractholders - end of year	\$ 14,048	\$ 12,104

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 117	\$ 462
Adjustments		
Realized (gains) losses	213	290
Unrealized (gains) losses	7	(520)
Gross proceeds of disposition of investments	2,840	2,612
Gross payments for the purchase of investments	(4,433)	(3,820)
Distribution income of underlying mutual fund	(572)	(464)
Change in due from/to The Canada Life Assurance Company	5	(5)
Change in due from/to brokers	(11)	—
	(1,834)	(1,445)
Financing Activities		
Contractholder deposits	3,287	3,149
Contractholder withdrawals	(1,460)	(1,705)
	1,827	1,444
Net increase (decrease) in cash, short-term deposits and overdrafts	(7)	(1)
Cash, short-term deposits and overdrafts, beginning of year	11	12
Cash, short-term deposits and overdrafts, end of year	\$ 4	\$ 11

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Core Plus Bond Fund Series S *	1,607,878	14,932	14,050
Total Investments		14,932	14,050

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	6.24%
United States Treasury 3.88% 08-15-2034	5.73%
United States Treasury 4.25% 06-30-2029	5.38%
United States Treasury Inflation Index 0.125% 01-15-2032 Real Return	4.43%
Mackenzie Global Corporate Fixed Income Fund Series CL *	4.18%
United States Treasury 3.50% 02-15-2033	3.76%
United States Treasury 3.875% 08-15-2033	3.40%
Federal Government of Belgium 2.85% 10-22-2034 144A	2.90%
United Kingdom Treasury 0.88% 07-31-2033	2.73%
Federative Republic of Brazil 10.00% 01-01-2029	2.63%
United States Treasury 1.25% 05-15-2050	2.59%
United States Treasury 4.38% 05-15-2034	2.39%
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.13%
Federal Republic of Germany 2.10% 04-12-2029	1.88%
Federal Republic of Germany 2.20% 02-15-2034	1.86%
Federal Republic of Germany 0.00% 08-15-2052	1.67%
Republic of Indonesia 6.63% 02-15-2034	1.42%
Government of New Zealand 4.25% 05-15-2034	1.32%
Saudi Arabian Oil Co. 5.25% 07-17-2034	1.27%
Federative Republic of Brazil 6.25% 03-18-2031	1.25%
Mackenzie High Quality Floating Rate Fund Series CL *	1.19%
United States Treasury 2.88% 05-15-2032	1.15%
Government of Canada 3.50% 03-01-2028	1.05%
Republic of South Africa Government Bond 8.88% 02-28-2035	0.93%
United Kingdom Treasury 4.38% 07-31-2054	0.93%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	70,691	123,023	71,372	81,303	82,139	675	1,168	652	822	851
75/100 guarantee policy	196,816	213,829	210,743	187,347	141,752	1,858	2,009	1,908	1,881	1,461
PS1 75/75 guarantee policy	329,045	228,864	73,844	59,752	69,631	3,197	2,202	681	608	724
PS1 75/100 guarantee policy	177,516	222,920	199,779	117,330	81,210	1,714	2,134	1,835	1,190	843
PS2 75/75 guarantee policy	189,533	14,428	15,826	32,532	—	2,057	152	156	348	—
PS2 75/100 guarantee policy	17,378	17,840	20,822	18,332	1,892	189	188	206	196	20
PS 75/75 guarantee policy	12,259	4,309	6,702	7,309	6,753	121	42	62	75	70
PS 75/100 guarantee policy	26,105	14,076	11,587	13,954	9,762	254	136	107	142	102
PPS 75/75 guarantee policy	6,208	8,220	8,912	2,441	2,442	62	81	84	25	26
PPS 75/100 guarantee policy	20,522	29,376	39,715	46,694	33,361	205	288	372	480	349
75/75 Constellation	243,502	219,798	252,453	225,417	76,424	2,391	2,135	2,348	2,311	800
75/100 Constellation	128,406	151,602	179,746	177,478	105,119	1,250	1,463	1,663	1,813	1,098
100/100 Constellation	7,742	11,088	13,412	12,319	2,484	75	106	124	126	26

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.55	9.49	9.13	10.11	10.36	0.06	0.36
75/100 guarantee policy	9.44	9.40	9.05	10.04	10.31	0.04	0.35
PS1 75/75 guarantee policy	9.72	9.62	9.22	10.17	10.39	0.10	0.40
PS1 75/100 guarantee policy	9.65	9.57	9.18	10.14	10.37	0.08	0.39
PS2 75/75 guarantee policy	10.85	10.53	9.90	10.70	—	0.32	0.63
PS2 75/100 guarantee policy	10.85	10.53	9.89	10.69	10.71	0.32	0.64
PS 75/75 guarantee policy	9.83	9.71	9.29	10.23	10.43	0.12	0.42
PS 75/100 guarantee policy	9.74	9.64	9.24	10.18	10.40	0.10	0.40
PPS 75/75 guarantee policy	10.02	9.87	9.41	10.32	10.48	0.15	0.46
PPS 75/100 guarantee policy	9.96	9.82	9.37	10.29	10.47	0.14	0.45
75/75 Constellation	9.82	9.71	9.30	10.25	10.46	0.11	0.41
75/100 Constellation	9.74	9.65	9.26	10.22	10.45	0.09	0.39
100/100 Constellation	9.66	9.59	9.21	10.19	10.44	0.07	0.38

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Global Core Plus Bond Fund (Mackenzie) SF541 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Global Core Plus Bond Fund (Mackenzie) SF541

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.36	2.34	2.35	2.35	2.35
75/100 guarantee policy	2.53	2.51	2.51	2.52	2.51
PS1 75/75 guarantee policy	2.02	2.00	1.99	2.01	1.99
PS1 75/100 guarantee policy	2.13	2.11	2.10	2.11	2.10
PS 75/75 guarantee policy	1.80	1.78	1.78	1.79	1.78
PS 75/100 guarantee policy	1.97	1.95	1.96	1.95	1.95
PPS 75/75 guarantee policy	1.45	1.43	1.42	1.44	1.43
PPS 75/100 guarantee policy	1.56	1.55	1.55	1.55	1.53
75/75 Constellation	1.92	1.90	1.90	1.90	1.88
75/100 Constellation	2.09	2.07	2.07	2.07	2.04
100/100 Constellation	2.26	2.24	2.24	2.25	2.21

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	22.28	22.71	19.20	20.45	17.99

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS GLOBAL MULTI SECTOR BOND FUND
(BRANDYWINE) SF542

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Global Multi Sector Bond Fund (Brandywine) SF542 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 147	\$ 230
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	276	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	304,760	251,943
Total investments	304,760	251,943
Total assets	\$ 305,183	\$ 252,173
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	2
Due to brokers	—	168
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	170
Net assets attributable to contractholders	\$ 305,183	\$ 252,003

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 13,451	\$ 18,819
Miscellaneous income (loss)	—	—
Total income (loss)	13,451	18,819
Expenses		
Management fees (note 8)	2,809	2,160
Other	333	253
Total expenses	3,142	2,413
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 10,309	\$ 16,406

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 252,003	\$ 206,206
Contractholder deposits	68,609	59,470
Contractholder withdrawals	(25,738)	(30,079)
Increase (decrease) in net assets from operations attributable to contractholders	10,309	16,406
Change in net assets attributable to contractholders	53,180	45,797
Net assets attributable to contractholders - end of year	\$ 305,183	\$ 252,003

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 10,309	\$ 16,406
Adjustments		
Realized (gains) losses	899	1,594
Unrealized (gains) losses	4,703	(10,603)
Gross proceeds of disposition of investments	8,032	10,470
Gross payments for the purchase of investments	(47,398)	(37,818)
Distribution income of underlying mutual fund	(19,053)	(9,810)
Change in due from/to The Canada Life Assurance Company	(278)	309
Change in due from/to brokers	(168)	(121)
	(42,954)	(29,573)
Financing Activities		
Contractholder deposits	68,609	59,470
Contractholder withdrawals	(25,738)	(30,079)
	42,871	29,391
Net increase (decrease) in cash, short-term deposits and overdrafts	(83)	(182)
Cash, short-term deposits and overdrafts, beginning of year	230	412
Cash, short-term deposits and overdrafts, end of year	\$ 147	\$ 230

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Multi-Sector Bond Fund Series S *	33,656,578	336,543	304,760
Total Investments		336,543	304,760

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	16.28%
United Mexican States 7.50% 05-26-2033	2.65%
Petroleos Mexicanos 5.35% 02-12-2028	2.44%
United Kingdom Treasury 3.75% 10-22-2053	2.20%
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%
Federative Republic of Brazil 10.00% 01-01-2027	1.68%
EchoStar Corp. 10.75% 11-30-2029	1.43%
Federal Home Loan Mortgage Corp. Floating Rate 06-25-2042 144A	1.17%
Federal Home Loan Mortgage Corp. Floating Rate 01-25-2034 144A	1.07%
Argentine Republic Floating Rate 07-09-2030	1.05%
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2050 144A	1.03%
United Mexican States 8.00% 07-31-2053	1.03%
United Mexican States 8.50% 03-01-2029	1.03%
Mohegan Gaming & Entertainment 8.00% 02-01-2026	1.00%
Venture Global LNG Inc. 8.13% 06-01-2028 144A	1.00%
Dryden Senior Loan Fund Floating Rate 07-15-2031 144A	0.99%
First Quantum Minerals Ltd. 6.88% 10-15-2027 144A	0.99%
Charles Schwab Corp. Floating Rate 06-01-2173	0.98%
Starwood Property Trust Inc. 7.25% 04-01-2029 144A	0.98%
Magnetite CLO Ltd. Floating Rate 10-15-2031 144A	0.96%
Republic of Panama 4.50% 01-19-2063	0.96%
Connect Finco SARL/Connect U.S. Finco LLC 9.00% 09-15-2029 144A	0.93%
Federal National Mortgage Assoc. Floating Rate 06-25-2043 144A	0.89%
GoldenTree Loan Management US CLO Ltd. Floating Rate 07-20-2037 144A	0.87%
UBS Group AG Floating Rate 08-12-2033 144A	0.87%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,423,216	1,334,370	1,129,010	1,082,422	571,170	14,725	13,450	10,724	11,984	6,424
75/100 guarantee policy	4,187,975	3,619,266	3,045,844	2,629,506	1,107,496	42,870	36,155	28,720	28,949	12,406
PS1 75/75 guarantee policy	2,393,253	2,141,450	1,199,511	1,032,443	479,607	25,206	21,897	11,518	11,517	5,416
PS1 75/100 guarantee policy	5,160,466	3,996,094	3,182,507	2,264,374	960,223	54,013	40,654	30,439	25,186	10,824
PS2 75/75 guarantee policy	603,624	361,352	555,728	249,978	114,908	7,089	4,038	5,717	2,929	1,336
PS2 75/100 guarantee policy	858,752	705,259	538,377	436,609	224,972	10,085	7,881	5,539	5,115	2,616
PS 75/75 guarantee policy	170,356	137,594	132,437	102,231	53,488	1,815	1,420	1,281	1,146	606
PS 75/100 guarantee policy	480,503	402,333	297,441	241,934	89,288	5,072	4,121	2,860	2,701	1,009
PPS 75/75 guarantee policy	608,836	439,751	394,042	290,589	95,045	6,612	4,611	3,858	3,287	1,082
PPS 75/100 guarantee policy	830,124	716,772	572,893	380,638	140,250	8,960	7,478	5,588	4,293	1,594
75/75 Constellation	329,932	236,268	257,021	233,702	79,578	3,425	2,379	2,428	2,562	882
75/100 Constellation	285,952	284,114	348,278	292,247	108,627	2,944	2,842	3,274	3,194	1,203
100/100 Constellation	7,132	6,043	8,207	19,678	11,365	73	60	77	214	126

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.35	10.08	9.50	11.07	11.25	0.27	0.58
75/100 guarantee policy	10.24	9.99	9.43	11.01	11.20	0.25	0.56
PS1 75/75 guarantee policy	10.53	10.23	9.60	11.15	11.29	0.30	0.63
PS1 75/100 guarantee policy	10.47	10.17	9.56	11.12	11.27	0.30	0.61
PS2 75/75 guarantee policy	11.74	11.18	10.29	11.72	11.63	0.56	0.89
PS2 75/100 guarantee policy	11.74	11.18	10.29	11.72	11.63	0.56	0.89
PS 75/75 guarantee policy	10.65	10.32	9.67	11.21	11.33	0.33	0.65
PS 75/100 guarantee policy	10.56	10.24	9.62	11.16	11.30	0.32	0.62
PPS 75/75 guarantee policy	10.86	10.48	9.79	11.31	11.39	0.38	0.69
PPS 75/100 guarantee policy	10.79	10.43	9.75	11.28	11.37	0.36	0.68
75/75 Constellation	10.38	10.07	9.45	10.96	11.09	0.31	0.62
75/100 Constellation	10.30	10.00	9.40	10.93	11.07	0.30	0.60
100/100 Constellation	10.21	9.94	9.36	10.89	11.05	0.27	0.58

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Global Multi Sector Bond Fund (Brandywine) SF542 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Global Multi Sector Bond Fund (Brandywine) SF542

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.35	2.33	2.33	2.31	2.31
75/100 guarantee policy	2.52	2.50	2.49	2.47	2.47
PS1 75/75 guarantee policy	2.01	1.99	1.98	1.97	1.94
PS1 75/100 guarantee policy	2.12	2.10	2.09	2.07	2.07
PS 75/75 guarantee policy	1.79	1.78	1.77	1.76	1.76
PS 75/100 guarantee policy	1.96	1.94	1.94	1.92	1.93
PPS 75/75 guarantee policy	1.45	1.43	1.43	1.42	1.39
PPS 75/100 guarantee policy	1.56	1.54	1.54	1.53	1.51
75/75 Constellation	1.91	1.90	1.89	1.87	1.86
75/100 Constellation	2.08	2.06	2.06	2.04	2.05
100/100 Constellation	2.25	2.23	2.24	2.21	2.20

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.01	1.99	1.98	1.97	1.96
PS1 75/100 guarantee policy	2.12	2.10	2.09	2.07	2.09
PPS 75/75 guarantee policy	1.45	1.43	1.43	1.42	1.41
PPS 75/100 guarantee policy	1.56	1.54	1.54	1.53	1.53

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	2.93	4.69	2.80	1.14	4.08

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS CANADIAN EQUITY FUND (GWLIM)
SF543

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Canadian Equity Fund (GWLIM) SF543 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Canadian Equity Fund (GWLIM) SF543

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 176	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	136	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	208,549	162,653
Total investments	208,549	162,653
Total assets	\$ 208,861	\$ 162,653
Liabilities		
Overdrafts	\$ —	\$ 5
Due to The Canada Life Assurance Company (note 8)	—	2
Due to brokers	—	31
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	38
Net assets attributable to contractholders	\$ 208,861	\$ 162,615

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 29,170	\$ 13,598
Miscellaneous income (loss)	—	—
Total income (loss)	29,170	13,598
Expenses		
Management fees (note 8)	445	332
Other	47	36
Total expenses	492	368
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 28,678	\$ 13,230

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 162,615	\$ 133,625
Contractholder deposits	41,887	28,953
Contractholder withdrawals	(24,319)	(13,193)
Increase (decrease) in net assets from operations attributable to contractholders	28,678	13,230
Change in net assets attributable to contractholders	46,246	28,990
Net assets attributable to contractholders - end of year	\$ 208,861	\$ 162,615

Pathways Canadian Equity Fund (GWLIM) SF543

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 28,678	\$ 13,230
Adjustments		
Realized (gains) losses	(3,695)	(1,406)
Unrealized (gains) losses	(16,223)	(6,844)
Gross proceeds of disposition of investments	16,402	126,827
Gross payments for the purchase of investments	(33,128)	(142,382)
Distribution income of underlying mutual fund	(9,252)	(5,348)
Change in due from/to The Canada Life Assurance Company	(138)	94
Change in due from/to brokers	(31)	7
	<u>(17,387)</u>	<u>(15,822)</u>
Financing Activities		
Contractholder deposits	41,887	28,953
Contractholder withdrawals	(24,319)	(13,193)
	<u>17,568</u>	<u>15,760</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	181	(62)
Cash, short-term deposits and overdrafts, beginning of year	(5)	57
Cash, short-term deposits and overdrafts, end of year	\$ 176	\$ (5)

Pathways Canadian Equity Fund (GWLIM) SF543

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Growth Fund Series S *	7,189,120	168,654	208,549
Total Investments		168,654	208,549

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	7.90%
Constellation Software Inc.	5.00%
Shopify Inc.	4.63%
Canadian Natural Resources Ltd.	3.68%
Brookfield Corp.	3.65%
Canadian Pacific Kansas City Ltd.	3.28%
National Bank of Canada	2.95%
Pembina Pipeline Corp.	2.92%
Bank of Montreal	2.70%
Canadian Imperial Bank of Commerce	2.62%
Fairfax Financial Holdings Ltd. sub. voting	2.59%
Intact Financial Corp.	2.46%
ARC Resources Ltd.	2.42%
Dollarama Inc.	2.25%
The Descartes Systems Group Inc.	2.25%
Alimentation Couche-Tard Inc.	2.10%
Loblaw Companies Ltd.	2.08%
Waste Connections Inc.	1.99%
Canadian National Railway Co.	1.89%
The Toronto-Dominion Bank	1.86%
Alamos Gold Inc.	1.85%
Brookfield Infrastructure Partners LP Partnership Units	1.83%
AltaGas Ltd.	1.78%
Agnico Eagle Mines Ltd.	1.58%
Tourmaline Oil Corp.	1.56%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Canadian Equity Fund (GWLIM) SF543

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	212,965	159,321	137,005	95,998	50,919	3,202	2,079	1,681	1,211	530
75/100 guarantee policy	250,882	168,201	149,315	100,547	51,090	3,731	2,175	1,818	1,260	530
PS1 75/75 guarantee policy	204,709	161,652	158,991	86,915	38,903	3,151	2,150	1,979	1,107	407
PS1 75/100 guarantee policy	282,386	176,491	167,963	107,956	90,188	4,294	2,324	2,075	1,367	941
PS2 75/75 guarantee policy	31,300	15,629	18,225	22,823	96	546	230	246	308	1
PS2 75/100 guarantee policy	50,229	54,085	58,350	36,496	26,422	876	796	786	492	286
PS 75/75 guarantee policy	18,084	8,915	9,127	6,658	6,243	289	122	116	86	66
PS 75/100 guarantee policy	9,896	8,924	6,008	4,793	1,611	157	121	76	62	17
PPS 75/75 guarantee policy	13,941	355	—	—	136	228	5	—	—	1
PPS 75/100 guarantee policy	1,192	672	325	—	5,804	19	9	4	—	62
75/75 Constellation	387,150	422,553	378,788	334,563	124,631	5,821	5,457	4,552	4,089	1,245
75/100 Constellation	168,885	328,878	320,232	281,106	135,270	2,498	4,192	3,811	3,413	1,347
100/100 Constellation	18,915	30,573	31,687	35,901	11,451	275	385	373	433	114

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.04	13.05	12.27	12.61	10.42	1.99	0.78
75/100 guarantee policy	14.87	12.93	12.18	12.53	10.37	1.94	0.75
PS1 75/75 guarantee policy	15.39	13.30	12.45	12.74	10.47	2.09	0.85
PS1 75/100 guarantee policy	15.21	13.17	12.35	12.66	10.44	2.04	0.82
PS2 75/75 guarantee policy	17.44	14.73	13.48	13.48	10.84	2.71	1.25
PS2 75/100 guarantee policy	17.43	14.73	13.48	13.48	10.84	2.70	1.25
PS 75/75 guarantee policy	15.98	13.71	12.75	12.96	10.59	2.27	0.96
PS 75/100 guarantee policy	15.82	13.60	12.67	12.89	10.55	2.22	0.93
PPS 75/75 guarantee policy	16.38	13.99	—	—	10.66	2.39	1.04
PPS 75/100 guarantee policy	16.17	13.85	12.85	—	10.62	2.32	1.00
75/75 Constellation	15.04	12.92	12.02	12.22	9.99	2.12	0.90
75/100 Constellation	14.79	12.75	11.90	12.14	9.96	2.04	0.85
100/100 Constellation	14.55	12.58	11.78	12.06	9.93	1.97	0.80

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Canadian Equity Fund (GWLIM) SF543 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Canadian Equity Fund (GWLIM) SF543

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Canadian Equity Fund (GWLIM) SF543

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.71	2.70	2.70	2.70	2.72
75/100 guarantee policy	2.88	2.86	2.87	2.87	2.89
PS1 75/75 guarantee policy	2.26	2.25	2.25	2.25	2.25
PS1 75/100 guarantee policy	2.48	2.47	2.47	2.48	2.47
PS 75/75 guarantee policy	1.60	1.59	1.60	1.60	1.62
PS 75/100 guarantee policy	1.77	1.76	1.77	1.76	1.79
PPS 75/75 guarantee policy	1.15	1.14	—	—	1.14
PPS 75/100 guarantee policy	1.37	1.36	1.38	—	1.35
75/75 Constellation	1.67	1.66	1.66	1.65	1.65
75/100 Constellation	2.00	1.99	2.00	1.99	1.98
100/100 Constellation	2.33	2.32	2.34	2.32	2.32

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.26	2.25	2.25	2.25	2.27
PS1 75/100 guarantee policy	2.48	2.47	2.47	2.48	2.49
PPS 75/75 guarantee policy	1.15	1.14	—	—	1.16
PPS 75/100 guarantee policy	1.37	1.36	1.38	—	1.37

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	9.17	86.66	8.37	6.45	3.02

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of

THE CANADA LIFE ASSURANCE COMPANY

PATHWAYS CANADIAN CONCENTRATED EQUITY
FUND (GALIBIER) SF544

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Canadian Concentrated Equity Fund (Galibier) SF544 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 50	\$ 258
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	46	50
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	62,405	53,574
Total investments	62,405	53,574
Total assets	\$ 62,501	\$ 53,882
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	132
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	132
Net assets attributable to contractholders	\$ 62,501	\$ 53,750

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 12,720	\$ 2,684
Miscellaneous income (loss)	—	—
Total income (loss)	12,720	2,684
Expenses		
Management fees (note 8)	1,210	1,023
Other	136	115
Total expenses	1,346	1,138
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 11,374	\$ 1,546

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 53,750	\$ 44,703
Contractholder deposits	5,761	15,349
Contractholder withdrawals	(8,384)	(7,848)
Increase (decrease) in net assets from operations attributable to contractholders	11,374	1,546
Change in net assets attributable to contractholders	8,751	9,047
Net assets attributable to contractholders - end of year	\$ 62,501	\$ 53,750

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 11,374	\$ 1,546
Adjustments		
Realized (gains) losses	(1,901)	(161)
Unrealized (gains) losses	(9,304)	(1,264)
Gross proceeds of disposition of investments	12,846	5,115
Gross payments for the purchase of investments	(8,957)	(11,192)
Distribution income of underlying mutual fund	(1,515)	(1,259)
Change in due from/to The Canada Life Assurance Company	4	(54)
Change in due from/to brokers	(132)	111
	2,415	(7,158)
Financing Activities		
Contractholder deposits	5,761	15,349
Contractholder withdrawals	(8,384)	(7,848)
	(2,623)	7,501
Net increase (decrease) in cash, short-term deposits and overdrafts	(208)	343
Cash, short-term deposits and overdrafts, beginning of year	258	(85)
Cash, short-term deposits and overdrafts, end of year	\$ 50	\$ 258

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Fundamental Equity Fund *	4,206,703	50,732	62,405
Total Investments		50,732	62,405

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	6.91%
Shopify Inc.	5.19%
Constellation Software Inc.	3.24%
Canadian Imperial Bank of Commerce	3.14%
The Toronto-Dominion Bank	3.11%
Manulife Financial Corp.	3.03%
Agnico Eagle Mines Ltd.	2.99%
Brookfield Corp.	2.93%
Canadian Natural Resources Ltd.	2.85%
TC Energy Corp.	2.71%
Canadian Pacific Kansas City Ltd.	2.67%
The Bank of Nova Scotia	2.29%
Enbridge Inc.	2.16%
Suncor Energy Inc.	2.11%
Kinross Gold Corp.	1.76%
WSP Global Inc.	1.71%
Capital Power Corp.	1.66%
Celestica Inc.	1.61%
Bank of Montreal	1.60%
National Bank of Canada	1.59%
Thomson Reuters Corp.	1.53%
Dollarama Inc.	1.46%
Canadian National Railway Co.	1.45%
The Descartes Systems Group Inc.	1.42%
Fairfax Financial Holdings Ltd. sub. voting	1.40%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	640,587	595,367	471,182	403,671	197,603	9,545	7,391	5,676	5,173	2,193
75/100 guarantee policy	776,258	780,361	745,431	636,648	314,271	11,375	9,554	8,881	8,091	3,469
PS1 75/75 guarantee policy	767,933	719,528	459,324	380,657	243,390	11,616	9,042	5,585	4,909	2,711
PS1 75/100 guarantee policy	835,606	676,652	554,508	400,667	250,152	12,444	8,394	6,675	5,130	2,773
PS2 75/75 guarantee policy	129,643	80,513	64,495	88,740	22,510	2,242	1,129	854	1,217	260
PS2 75/100 guarantee policy	170,037	78,812	39,106	36,778	40,472	2,941	1,105	518	504	468
PS 75/75 guarantee policy	11,058	12,521	11,330	7,141	3,156	175	163	142	94	36
PS 75/100 guarantee policy	44,286	57,285	59,672	36,530	20,952	690	738	740	478	235
PPS 75/75 guarantee policy	53,614	31,962	32,987	25,169	34,444	863	423	417	334	390
PPS 75/100 guarantee policy	143,767	170,111	176,107	150,656	42,612	2,278	2,220	2,206	1,985	481
75/75 Constellation	307,480	571,937	536,075	488,752	118,053	4,520	6,931	6,239	5,987	1,239
75/100 Constellation	258,253	545,881	575,782	612,544	214,214	3,734	6,529	6,636	7,455	2,242
100/100 Constellation	5,458	11,111	11,782	31,362	3,513	78	131	134	379	37

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.90	12.41	12.05	12.81	11.10	2.49	0.36
75/100 guarantee policy	14.65	12.24	11.91	12.71	11.04	2.41	0.33
PS1 75/75 guarantee policy	15.13	12.57	12.16	12.90	11.14	2.56	0.41
PS1 75/100 guarantee policy	14.89	12.41	12.04	12.80	11.09	2.48	0.37
PS2 75/75 guarantee policy	17.30	14.02	13.24	13.71	11.55	3.28	0.78
PS2 75/100 guarantee policy	17.30	14.02	13.24	13.71	11.55	3.28	0.78
PS 75/75 guarantee policy	15.83	13.04	12.52	13.17	11.28	2.79	0.52
PS 75/100 guarantee policy	15.59	12.88	12.39	13.08	11.23	2.71	0.49
PPS 75/75 guarantee policy	16.09	13.22	12.65	13.27	11.33	2.87	0.57
PPS 75/100 guarantee policy	15.84	13.05	12.52	13.17	11.28	2.79	0.53
75/75 Constellation	14.70	12.12	11.64	12.25	10.50	2.58	0.48
75/100 Constellation	14.46	11.96	11.52	12.17	10.47	2.50	0.44
100/100 Constellation	14.22	11.80	11.41	12.09	10.43	2.42	0.39

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Canadian Concentrated Equity Fund (Galibier) SF544 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Canadian Concentrated Equity Fund (Galibier) SF544

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.73	2.71	2.71	2.72	2.74
75/100 guarantee policy	3.01	2.99	2.99	2.99	3.02
PS1 75/75 guarantee policy	2.44	2.42	2.42	2.43	2.43
PS1 75/100 guarantee policy	2.72	2.70	2.70	2.71	2.71
PS 75/75 guarantee policy	1.61	1.60	1.60	1.60	1.62
PS 75/100 guarantee policy	1.89	1.88	1.87	1.89	1.91
PPS 75/75 guarantee policy	1.33	1.32	1.31	1.32	1.32
PPS 75/100 guarantee policy	1.61	1.59	1.59	1.59	1.60
75/75 Constellation	1.68	1.67	1.67	1.66	1.66
75/100 Constellation	2.01	2.00	2.00	2.00	1.99
100/100 Constellation	2.35	2.33	2.36	2.35	2.32

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.44	2.42	2.42	2.43	2.45
PS1 75/100 guarantee policy	2.72	2.70	2.70	2.71	2.73
PPS 75/75 guarantee policy	1.33	1.32	1.31	1.32	1.34
PPS 75/100 guarantee policy	1.61	1.59	1.59	1.59	1.62

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	14.82	9.96	11.19	7.18	17.37

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS U.S. EQUITY FUND (PUTNAM) SF545

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways U.S. Equity Fund (Putnam) SF545 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways U.S. Equity Fund (Putnam) SF545

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 91	\$ 160
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	801	206
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	94,359	24,420
Total investments	94,359	24,420
Total assets	\$ 95,251	\$ 24,786
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	68
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	68
Net assets attributable to contractholders	\$ 95,251	\$ 24,718

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 10,469	\$ 2,861
Miscellaneous income (loss)	—	—
Total income (loss)	10,469	2,861
Expenses		
Management fees (note 8)	1,139	480
Other	119	47
Total expenses	1,258	527
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 9,211	\$ 2,334

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 24,718	\$ 19,822
Contractholder deposits	66,101	5,362
Contractholder withdrawals	(4,779)	(2,800)
Increase (decrease) in net assets from operations attributable to contractholders	9,211	2,334
Change in net assets attributable to contractholders	70,533	4,896
Net assets attributable to contractholders - end of year	\$ 95,251	\$ 24,718

Pathways U.S. Equity Fund (Putnam) SF545

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 9,211	\$ 2,334
Adjustments		
Realized (gains) losses	(165)	(408)
Unrealized (gains) losses	(9,206)	(1,941)
Gross proceeds of disposition of investments	916	22,569
Gross payments for the purchase of investments	(60,386)	(23,845)
Distribution income of underlying mutual fund	(1,098)	(512)
Change in due from/to The Canada Life Assurance Company	(595)	(426)
Change in due from/to brokers	(68)	529
	<u>(61,391)</u>	<u>(1,700)</u>
Financing Activities		
Contractholder deposits	66,101	5,362
Contractholder withdrawals	(4,779)	(2,800)
	<u>61,322</u>	<u>2,562</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(69)	862
Cash, short-term deposits and overdrafts, beginning of year	160	(702)
Cash, short-term deposits and overdrafts, end of year	\$ 91	\$ 160

Pathways U.S. Equity Fund (Putnam) SF545

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life U.S. Value Fund Series S *	6,832,983	81,909	94,359
Total Investments		81,909	94,359

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	3.40%
Walmart Inc.	3.36%
iShares Russell 1000 Value ETF	3.27%
Citigroup Inc.	2.97%
Exxon Mobil Corp.	2.66%
Bank of America Corp.	2.59%
Microsoft Corp.	2.57%
AbbVie Inc.	2.47%
UnitedHealth Group Inc.	2.45%
Oracle Corp.	2.29%
Capital One Financial Corp.	2.18%
The Coca-Cola Co.	2.17%
The Procter & Gamble Co.	2.08%
PulteGroup Inc.	1.99%
General Motors Co.	1.97%
McKesson Corp.	1.95%
Philip Morris International Inc.	1.86%
FedEx Corp.	1.80%
Regeneron Pharmaceuticals Inc.	1.80%
Southwest Airlines Co.	1.63%
T-Mobile US Inc.	1.61%
Thermo Fisher Scientific Inc.	1.59%
Apollo Global Management Inc.	1.58%
PNC Financial Services Group Inc.	1.57%
The Charles Schwab Corp.	1.54%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways U.S. Equity Fund (Putnam) SF545

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	643,467	297,075	298,601	227,197	105,756	12,165	4,462	4,043	3,034	1,154
75/100 guarantee policy	860,128	393,306	387,621	335,533	159,797	15,993	5,826	5,191	4,444	1,734
PS1 75/75 guarantee policy	1,022,730	327,822	197,002	171,406	24,706	19,555	4,968	2,685	2,299	270
PS1 75/100 guarantee policy	1,198,460	260,858	281,692	266,805	40,333	22,555	3,902	3,800	3,552	439
PS2 75/75 guarantee policy	76,787	9,814	1,781	5,502	8,630	1,693	167	27	79	98
PS2 75/100 guarantee policy	137,603	85,545	79,188	46,709	11,469	3,033	1,456	1,182	669	130
PS 75/75 guarantee policy	15,306	4,674	5,539	6,487	97	307	74	78	89	1
PS 75/100 guarantee policy	53,930	21,084	21,798	25,344	1,070	1,066	328	303	345	12
PPS 75/75 guarantee policy	75,887	7,870	7,676	6,361	8,014	1,543	126	109	88	89
PPS 75/100 guarantee policy	109,793	19,020	20,631	11,967	—	2,182	297	287	163	—
75/75 Constellation	571,576	122,909	87,352	84,432	28,917	10,462	1,770	1,123	1,060	294
75/100 Constellation	233,894	86,523	71,260	65,804	35,063	4,200	1,227	906	820	355
100/100 Constellation	28,081	8,207	6,969	7,524	2,480	497	115	88	93	25

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	18.90	15.02	13.54	13.35	10.91	3.88	1.48
75/100 guarantee policy	18.59	14.81	13.39	13.24	10.85	3.78	1.42
PS1 75/75 guarantee policy	19.12	15.16	13.63	13.41	10.94	3.96	1.53
PS1 75/100 guarantee policy	18.82	14.96	13.49	13.31	10.88	3.86	1.47
PS2 75/75 guarantee policy	22.04	17.02	14.93	14.32	11.37	5.02	2.09
PS2 75/100 guarantee policy	22.04	17.02	14.93	14.32	11.37	5.02	2.09
PS 75/75 guarantee policy	20.07	15.77	14.06	13.72	11.09	4.30	1.71
PS 75/100 guarantee policy	19.76	15.57	13.92	13.62	11.04	4.19	1.65
PPS 75/75 guarantee policy	20.33	15.93	14.18	13.80	11.12	4.40	1.75
PPS 75/100 guarantee policy	19.88	15.62	13.94	13.60	—	4.26	1.68
75/75 Constellation	18.30	14.40	12.85	12.56	10.16	3.90	1.55
75/100 Constellation	17.96	14.18	12.71	12.46	10.12	3.78	1.47
100/100 Constellation	17.71	14.02	12.60	12.39	10.09	3.69	1.42

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways U.S. Equity Fund (Putnam) SF545 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways U.S. Equity Fund (Putnam) SF545

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways U.S. Equity Fund (Putnam) SF545

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.82	2.78	2.79	2.83	2.83
75/100 guarantee policy	3.10	3.06	3.06	3.11	3.09
PS1 75/75 guarantee policy	2.59	2.56	2.56	2.62	2.57
PS1 75/100 guarantee policy	2.87	2.83	2.84	2.90	2.85
PS 75/75 guarantee policy	1.71	1.69	1.70	1.73	1.72
PS 75/100 guarantee policy	1.99	1.96	1.97	2.01	2.00
PPS 75/75 guarantee policy	1.48	1.46	1.47	1.50	1.46
PPS 75/100 guarantee policy	1.76	1.74	1.74	1.78	—
75/75 Constellation	1.83	1.81	1.82	1.84	1.81
75/100 Constellation	2.22	2.19	2.20	2.23	2.20
100/100 Constellation	2.50	2.46	2.47	2.51	2.49

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.59	2.56	2.56	2.62	2.59
PS1 75/100 guarantee policy	2.87	2.83	2.84	2.90	2.87
PPS 75/75 guarantee policy	1.48	1.46	1.47	1.50	1.48

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	1.77	103.57	16.46	97.27	13.97

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS U.S. CONCENTRATED EQUITY FUND
(ARISTOTLE) SF546

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways U.S. Concentrated Equity Fund (Aristotle) SF546 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 23	\$ 31
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	6
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	62,973	48,181
Total investments	62,973	48,181
Total assets	\$ 62,996	\$ 48,218
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	55	—
Due to brokers	—	22
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	55	22
Net assets attributable to contractholders	\$ 62,941	\$ 48,196

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 8,008	\$ 7,091
Miscellaneous income (loss)	—	—
Total income (loss)	8,008	7,091
Expenses		
Management fees (note 8)	1,185	951
Other	127	103
Total expenses	1,312	1,054
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 6,696	\$ 6,037

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 48,196	\$ 40,352
Contractholder deposits	13,715	8,008
Contractholder withdrawals	(5,666)	(6,201)
Increase (decrease) in net assets from operations attributable to contractholders	6,696	6,037
Change in net assets attributable to contractholders	14,745	7,844
Net assets attributable to contractholders - end of year	\$ 62,941	\$ 48,196

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 6,696	\$ 6,037
Adjustments		
Realized (gains) losses	(1,721)	(575)
Unrealized (gains) losses	(5,363)	(5,814)
Gross proceeds of disposition of investments	7,317	5,692
Gross payments for the purchase of investments	(14,101)	(6,421)
Distribution income of underlying mutual fund	(924)	(702)
Change in due from/to The Canada Life Assurance Company	61	(15)
Change in due from/to brokers	(22)	(3)
	<u>(8,057)</u>	<u>(1,801)</u>
Financing Activities		
Contractholder deposits	13,715	8,008
Contractholder withdrawals	(5,666)	(6,201)
	<u>8,049</u>	<u>1,807</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(8)	6
Cash, short-term deposits and overdrafts, beginning of year	31	25
Cash, short-term deposits and overdrafts, end of year	\$ 23	\$ 31

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life U.S. Concentrated Equity Fund Series S *	3,494,583	49,358	62,973
Total Investments		49,358	62,973

Top 25 Holdings

Security Description	% of Total
Parker Hannifin Corp.	4.61%
Ameriprise Financial Inc.	3.91%
Microsoft Corp.	3.79%
Capital One Financial Corp.	3.21%
Lennar Corp. Class A	3.03%
Corteva Inc.	2.98%
ANSYS Inc.	2.80%
Martin Marietta Materials Inc.	2.63%
Atmos Energy Corp.	2.57%
Sony Group Corp. ADR	2.55%
Qualcomm Inc.	2.50%
Adobe Inc.	2.48%
Ecolab Inc.	2.45%
The Blackstone Group Inc.	2.40%
RPM International Inc.	2.38%
US Bancorp	2.38%
Honeywell International Inc.	2.30%
Amgen Inc.	2.28%
Danaher Corp.	2.22%
PNC Financial Services Group Inc.	2.19%
Xylem Inc.	2.17%
American International Group Inc.	2.16%
Lowe's Companies Inc.	2.13%
Verizon Communications Inc.	2.13%
The Procter & Gamble Co.	2.12%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	643,123	688,130	667,066	574,108	349,395	10,651	10,001	8,488	8,207	4,126
75/100 guarantee policy	461,578	489,416	518,051	601,265	265,865	7,518	7,015	6,519	8,524	3,122
PS1 75/75 guarantee policy	912,317	902,593	728,660	636,731	297,792	15,294	13,247	9,342	9,150	3,528
PS1 75/100 guarantee policy	541,971	496,738	471,627	685,100	129,806	8,943	7,197	5,986	9,773	1,530
PS2 75/75 guarantee policy	90,133	85,823	84,472	86,670	23,106	1,743	1,416	1,186	1,329	284
PS2 75/100 guarantee policy	49,807	64,805	129,100	68,632	18,053	963	1,069	1,813	1,052	222
PS 75/75 guarantee policy	16,028	22,626	26,009	15,646	20,026	282	345	344	230	240
PS 75/100 guarantee policy	55,099	74,655	89,351	41,068	17,900	954	1,124	1,170	599	215
PPS 75/75 guarantee policy	33,197	36,842	30,809	23,594	38,638	592	569	411	349	465
PPS 75/100 guarantee policy	116,636	140,846	167,666	122,133	38,227	2,047	2,146	2,213	1,792	458
75/75 Constellation	443,537	142,013	112,573	99,314	30,006	7,013	1,951	1,341	1,316	325
75/100 Constellation	438,647	153,572	128,027	129,522	49,219	6,803	2,078	1,507	1,703	531
100/100 Constellation	9,012	2,810	2,711	6,046	709	138	38	32	79	9

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.56	14.53	12.72	14.30	11.81	2.03	1.81
75/100 guarantee policy	16.29	14.33	12.58	14.18	11.74	1.96	1.75
PS1 75/75 guarantee policy	16.76	14.68	12.82	14.37	11.84	2.08	1.86
PS1 75/100 guarantee policy	16.50	14.49	12.69	14.26	11.79	2.01	1.80
PS2 75/75 guarantee policy	19.34	16.50	14.04	15.33	12.31	2.84	2.46
PS2 75/100 guarantee policy	19.34	16.50	14.04	15.34	12.31	2.84	2.46
PS 75/75 guarantee policy	17.59	15.27	13.22	14.69	12.00	2.32	2.05
PS 75/100 guarantee policy	17.32	15.08	13.09	14.58	11.95	2.24	1.99
PPS 75/75 guarantee policy	17.82	15.43	13.33	14.78	12.05	2.39	2.10
PPS 75/100 guarantee policy	17.55	15.24	13.20	14.67	11.99	2.31	2.04
75/75 Constellation	15.81	13.74	11.91	13.25	10.84	2.07	1.83
75/100 Constellation	15.51	13.53	11.77	13.15	10.80	1.98	1.76
100/100 Constellation	15.30	13.38	11.68	13.08	10.77	1.92	1.70

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways U.S. Concentrated Equity Fund (Aristotle) SF546 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways U.S. Concentrated Equity Fund (Aristotle) SF546

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.82	2.82	2.85	2.84
75/100 guarantee policy	3.11	3.10	3.11	3.14	3.12
PS1 75/75 guarantee policy	2.60	2.59	2.59	2.61	2.55
PS1 75/100 guarantee policy	2.88	2.87	2.88	2.91	2.86
PS 75/75 guarantee policy	1.72	1.72	1.71	1.74	1.73
PS 75/100 guarantee policy	2.00	1.99	1.98	2.01	2.01
PPS 75/75 guarantee policy	1.49	1.49	1.49	1.51	1.44
PPS 75/100 guarantee policy	1.76	1.76	1.76	1.77	1.76
75/75 Constellation	1.84	1.83	1.84	1.85	1.83
75/100 Constellation	2.23	2.22	2.23	2.24	2.21
100/100 Constellation	2.51	2.50	2.53	2.54	2.49

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.60	2.59	2.59	2.61	2.58
PS1 75/100 guarantee policy	2.88	2.87	2.88	2.91	2.89
PPS 75/75 guarantee policy	1.49	1.49	1.49	1.51	1.47
PPS 75/100 guarantee policy	1.76	1.76	1.76	1.77	1.79

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	13.59	13.12	17.78	6.67	6.48

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS INTERNATIONAL EQUITY FUND
(SETANTA) SF547

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways International Equity Fund (Setanta) SF547 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways International Equity Fund (Setanta) SF547

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 17	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	4
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	120,438	108,301
Total investments	120,438	108,301
Total assets	\$ 120,455	\$ 108,305
Liabilities		
Overdrafts	\$ —	\$ 3
Due to The Canada Life Assurance Company (note 8)	16	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	16	3
Net assets attributable to contractholders	\$ 120,439	\$ 108,302

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 16,179	\$ 14,274
Miscellaneous income (loss)	—	—
Total income (loss)	16,179	14,274
Expenses		
Management fees (note 8)	278	233
Other	31	27
Total expenses	309	260
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 15,870	\$ 14,014

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 108,302	\$ 98,361
Contractholder deposits	14,574	8,147
Contractholder withdrawals	(18,307)	(12,220)
Increase (decrease) in net assets from operations attributable to contractholders	15,870	14,014
Change in net assets attributable to contractholders	12,137	9,941
Net assets attributable to contractholders - end of year	\$ 120,439	\$ 108,302

Pathways International Equity Fund (Setanta) SF547

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 15,870	\$ 14,014
Adjustments		
Realized (gains) losses	(1,460)	(138)
Unrealized (gains) losses	(6,592)	(10,575)
Gross proceeds of disposition of investments	11,327	11,569
Gross payments for the purchase of investments	(7,285)	(6,838)
Distribution income of underlying mutual fund	(8,127)	(3,561)
Change in due from/to The Canada Life Assurance Company	20	(17)
Change in due from/to brokers	—	75
	<u>3,753</u>	<u>4,529</u>
Financing Activities		
Contractholder deposits	14,574	8,147
Contractholder withdrawals	(18,307)	(12,220)
	<u>(3,733)</u>	<u>(4,073)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	20	456
Cash, short-term deposits and overdrafts, beginning of year	(3)	(459)
Cash, short-term deposits and overdrafts, end of year	\$ 17	\$ (3)

Pathways International Equity Fund (Setanta) SF547

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life International Value Fund Series S *	10,778,642	108,229	120,438
Total Investments		108,229	120,438

Top 25 Holdings

Security Description	% of Total
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%
DCC PLC	4.34%
Thai Beverage PCL	4.29%
CRH PLC	4.24%
Tencent Holdings Ltd.	4.20%
Deutsche Boerse AG	4.18%
Samsung Electronics Co. Ltd.	3.84%
Alcon Inc.	3.75%
Ryanair Holdings PLC ADR	3.64%
EssilorLuxottica SA	3.50%
Sanofi SA	3.40%
Nabtesco Corp.	3.35%
Legrand SA	3.33%
Kingspan Group PLC	3.19%
Bank of Ireland Group PLC	3.12%
Demant AS	3.08%
GSK PLC	3.08%
Roche Holding AG	3.04%
Nestle SA	2.90%
Diageo PLC	2.84%
Alfresa Holdings Corp.	2.75%
Bank Leumi Le-Israel	2.37%
Haleon PLC	2.32%
Epiroc AB Class B	2.17%
Bangkok Bank PCL	2.06%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways International Equity Fund (Setanta) SF547

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	117,644	115,960	75,000	54,215	30,524	1,364	1,202	697	570	300
75/100 guarantee policy	96,823	119,165	116,626	100,706	86,114	1,104	1,219	1,072	1,051	841
PS1 75/75 guarantee policy	78,713	122,199	67,062	52,785	15,453	926	1,282	628	559	152
PS1 75/100 guarantee policy	138,763	84,443	84,054	90,832	54,885	1,607	875	780	955	538
PS2 75/75 guarantee policy	9,224	3,257	1,032	1,492	168	125	38	11	17	2
PS2 75/100 guarantee policy	1,051	1,081	2,206	2,269	—	14	13	23	26	—
PS 75/75 guarantee policy	1,160	1,784	1,475	298	—	14	19	14	3	—
PS 75/100 guarantee policy	18,438	29,125	28,078	14,783	24,057	223	313	268	159	239
PPS 75/75 guarantee policy	26,979	22,257	10,695	10,810	10,924	337	245	104	118	109
PPS 75/100 guarantee policy	13,365	16,365	—	—	—	164	178	—	—	—
75/75 Constellation	513,222	366,732	263,513	190,997	64,131	5,999	3,796	2,420	1,967	610
75/100 Constellation	217,049	282,902	247,516	193,613	74,831	2,489	2,884	2,247	1,979	709
100/100 Constellation	26,630	26,486	23,864	22,088	6,427	300	266	215	224	61

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.59	10.37	9.29	10.52	9.82	1.22	1.08
75/100 guarantee policy	11.40	10.23	9.19	10.44	9.76	1.17	1.04
PS1 75/75 guarantee policy	11.76	10.49	9.37	10.58	9.85	1.27	1.12
PS1 75/100 guarantee policy	11.58	10.36	9.28	10.51	9.81	1.22	1.08
PS2 75/75 guarantee policy	13.56	11.78	10.25	11.29	10.23	1.78	1.53
PS2 75/100 guarantee policy	13.51	11.74	10.22	11.25	—	1.77	1.52
PS 75/75 guarantee policy	12.28	10.86	9.62	10.78	—	1.42	1.24
PS 75/100 guarantee policy	12.12	10.75	9.55	10.73	9.93	1.37	1.20
PPS 75/75 guarantee policy	12.50	11.03	9.74	10.88	10.01	1.47	1.29
PPS 75/100 guarantee policy	12.27	10.85	—	—	—	1.42	1.24
75/75 Constellation	11.69	10.35	9.18	10.30	9.52	1.34	1.17
75/100 Constellation	11.47	10.19	9.08	10.22	9.48	1.28	1.11
100/100 Constellation	11.28	10.06	8.99	10.16	9.45	1.22	1.07

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways International Equity Fund (Setanta) SF547 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways International Equity Fund (Setanta) SF547

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways International Equity Fund (Setanta) SF547

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.90	2.88	2.88	2.85	2.80
75/100 guarantee policy	3.18	3.16	3.16	3.14	3.11
PS1 75/75 guarantee policy	2.61	2.60	2.59	2.58	2.51
PS1 75/100 guarantee policy	2.89	2.87	2.88	2.85	2.79
PS 75/75 guarantee policy	1.78	1.77	1.77	1.76	—
PS 75/100 guarantee policy	2.06	2.05	2.04	2.04	2.02
PPS 75/75 guarantee policy	1.49	1.48	1.49	1.47	1.43
PPS 75/100 guarantee policy	1.77	1.76	—	—	—
75/75 Constellation	1.90	1.89	1.89	1.87	1.86
75/100 Constellation	2.29	2.28	2.28	2.25	2.24
100/100 Constellation	2.63	2.61	2.61	2.58	2.57

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.61	2.60	2.59	2.58	2.53
PS1 75/100 guarantee policy	2.89	2.87	2.88	2.85	2.81
PPS 75/75 guarantee policy	1.49	1.48	1.49	1.47	1.45

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.30	6.63	3.38	5.28	5.91

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS INTERNATIONAL CONCENTRATED
EQUITY FUND (C WORLDWIDE) SF548

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways International Concentrated Equity Fund (C WorldWide) SF548 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Winnipeg, Manitoba
March 13, 2025

Pathways International Concentrated Equity Fund (C WorldWide) SF548

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 104	\$ 252
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	1,226	67
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	111,553	78,602
Total investments	111,553	78,602
Total assets	\$ 112,883	\$ 78,921
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	58
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	58
Net assets attributable to contractholders	\$ 112,883	\$ 78,863

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,513	\$ 10,312
Miscellaneous income (loss)	—	—
Total income (loss)	6,513	10,312
Expenses		
Management fees (note 8)	2,195	1,467
Other	244	165
Total expenses	2,439	1,632
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,074	\$ 8,680

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 78,863	\$ 49,058
Contractholder deposits	40,055	28,029
Contractholder withdrawals	(10,109)	(6,904)
Increase (decrease) in net assets from operations attributable to contractholders	4,074	8,680
Change in net assets attributable to contractholders	34,020	29,805
Net assets attributable to contractholders - end of year	\$ 112,883	\$ 78,863

Pathways International Concentrated Equity Fund (C WorldWide) SF548

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,074	\$ 8,680
Adjustments		
Realized (gains) losses	(634)	(329)
Unrealized (gains) losses	(4,688)	(9,211)
Gross proceeds of disposition of investments	3,854	3,573
Gross payments for the purchase of investments	(30,292)	(22,780)
Distribution income of underlying mutual fund	(1,191)	(772)
Change in due from/to The Canada Life Assurance Company	(1,159)	(102)
Change in due from/to brokers	(58)	(45)
	(30,094)	(20,986)
Financing Activities		
Contractholder deposits	40,055	28,029
Contractholder withdrawals	(10,109)	(6,904)
	29,946	21,125
Net increase (decrease) in cash, short-term deposits and overdrafts	(148)	139
Cash, short-term deposits and overdrafts, beginning of year	252	113
Cash, short-term deposits and overdrafts, end of year	\$ 104	\$ 252

Pathways International Concentrated Equity Fund (C WorldWide) SF548

(in Canadian \$ thousands)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life International Concentrated Equity Fund Series S *	7,053,285	96,407	111,553
Total Investments		96,407	111,553

Top 25 Holdings

Security Description	% of Total
SAP SE	5.98%
HDFC Bank Ltd. ADR	5.61%
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	5.22%
Air Liquide SA	4.91%
Novo Nordisk AS	4.46%
Ferguson Enterprises Inc.	4.15%
Hoya Corp.	3.97%
Schneider Electric SE	3.59%
AstraZeneca PLC	3.58%
RELX PLC	3.57%
Sony Group Corp.	3.57%
Compass Group PLC	3.54%
Deutsche Boerse AG	3.40%
Siemens AG	3.38%
AIA Group Ltd.	3.27%
Assa Abloy AB	3.21%
Nestle SA	3.17%
LVMH Moet Hennessy Louis Vuitton SE	2.99%
PT Bank Central Asia TBK	2.92%
Keyence Corp.	2.86%
Atlas Copco AB Class A	2.81%
ASML Holding NV	2.79%
SMC Corp.	2.69%
L'Oreal SA	2.67%
SSE PLC	2.46%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	974,775	748,549	664,747	482,092	207,125	13,936	10,169	7,847	6,391	2,584
75/100 guarantee policy	1,677,406	1,271,997	886,283	600,269	440,997	23,512	16,998	10,326	7,880	5,465
PS1 75/75 guarantee policy	1,326,995	914,802	603,856	460,608	220,564	19,260	12,579	7,195	6,146	2,761
PS1 75/100 guarantee policy	2,078,753	1,342,003	750,683	503,059	294,411	29,616	18,175	8,838	6,655	3,666
PS2 75/75 guarantee policy	234,400	156,120	121,422	167,467	45,494	3,939	2,420	1,588	2,389	593
PS2 75/100 guarantee policy	212,821	174,385	103,230	73,779	15,763	3,576	2,703	1,350	1,052	205
PS 75/75 guarantee policy	71,868	47,429	41,614	17,530	11,152	1,092	677	510	239	141
PS 75/100 guarantee policy	83,519	56,870	53,927	58,129	15,366	1,245	799	654	785	194
PPS 75/75 guarantee policy	264,388	146,436	136,651	89,444	6,674	4,081	2,117	1,693	1,228	85
PPS 75/100 guarantee policy	240,236	173,820	138,715	117,307	24,043	3,641	2,476	1,699	1,597	305
75/75 Constellation	348,849	373,134	322,374	274,961	65,865	4,855	4,882	3,627	3,438	767
75/100 Constellation	296,652	370,745	328,112	309,911	110,877	4,050	4,777	3,650	3,846	1,286
100/100 Constellation	5,995	7,143	7,386	16,494	1,624	80	91	81	203	19

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.30	13.58	11.80	13.26	12.47	0.72	1.78
75/100 guarantee policy	14.02	13.36	11.65	13.13	12.39	0.66	1.71
PS1 75/75 guarantee policy	14.51	13.75	11.91	13.34	12.52	0.76	1.84
PS1 75/100 guarantee policy	14.25	13.54	11.77	13.23	12.45	0.71	1.77
PS2 75/75 guarantee policy	16.80	15.50	13.08	14.26	13.03	1.30	2.42
PS2 75/100 guarantee policy	16.80	15.50	13.08	14.26	13.03	1.30	2.42
PS 75/75 guarantee policy	15.19	14.27	12.27	13.62	12.68	0.92	2.00
PS 75/100 guarantee policy	14.91	14.06	12.12	13.51	12.61	0.85	1.94
PPS 75/75 guarantee policy	15.43	14.46	12.39	13.72	12.73	0.97	2.07
PPS 75/100 guarantee policy	15.15	14.25	12.25	13.61	12.67	0.90	2.00
75/75 Constellation	13.92	13.08	11.25	12.50	11.64	0.84	1.83
75/100 Constellation	13.65	12.88	11.12	12.41	11.60	0.77	1.76
100/100 Constellation	13.43	12.72	11.01	12.33	11.56	0.71	1.71

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways International Concentrated Equity Fund (C WorldWide) SF548 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways International Concentrated Equity Fund (C WorldWide) SF548

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.95	2.93	2.93	2.94	2.97
75/100 guarantee policy	3.29	3.26	3.26	3.28	3.33
PS1 75/75 guarantee policy	2.67	2.65	2.65	2.65	2.66
PS1 75/100 guarantee policy	3.00	2.98	2.98	2.99	3.02
PS 75/75 guarantee policy	1.84	1.82	1.82	1.83	1.86
PS 75/100 guarantee policy	2.17	2.16	2.17	2.16	2.20
PPS 75/75 guarantee policy	1.55	1.54	1.54	1.55	1.55
PPS 75/100 guarantee policy	1.88	1.87	1.88	1.87	1.89
75/75 Constellation	1.90	1.89	1.89	1.89	1.89
75/100 Constellation	2.29	2.28	2.28	2.28	2.28
100/100 Constellation	2.63	2.61	2.62	2.63	2.61

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.67	2.65	2.65	2.65	2.69
PS1 75/100 guarantee policy	3.00	2.98	2.98	2.99	3.05
PPS 75/75 guarantee policy	1.55	1.54	1.54	1.55	1.58
PPS 75/100 guarantee policy	1.88	1.87	1.88	1.87	1.92

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.03	5.55	8.48	8.38	14.97

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of

THE CANADA LIFE ASSURANCE COMPANY

PATHWAYS EMERGING MARKETS LARGE CAP
EQUITY FUND (MACKENZIE) SF549

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Winnipeg, Manitoba
March 13, 2025

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	78	22
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	18,339	18,107
Total investments	18,339	18,107
Total assets	\$ 18,417	\$ 18,129
Liabilities		
Overdrafts	\$ 9	\$ 24
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	9
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	9	33
Net assets attributable to contractholders	\$ 18,408	\$ 18,096

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 4,023	\$ 2,636
Miscellaneous income (loss)	—	—
Total income (loss)	4,023	2,636
Expenses		
Management fees (note 8)	491	454
Other	52	48
Total expenses	543	502
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 3,480	\$ 2,134

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 18,096	\$ 17,791
Contractholder deposits	1,535	1,011
Contractholder withdrawals	(4,703)	(2,840)
Increase (decrease) in net assets from operations attributable to contractholders	3,480	2,134
Change in net assets attributable to contractholders	312	305
Net assets attributable to contractholders - end of year	\$ 18,408	\$ 18,096

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 3,480	\$ 2,134
Adjustments		
Realized (gains) losses	(470)	456
Unrealized (gains) losses	(2,671)	(2,566)
Gross proceeds of disposition of investments	6,833	3,700
Gross payments for the purchase of investments	(3,042)	(1,356)
Distribution income of underlying mutual fund	(882)	(526)
Change in due from/to The Canada Life Assurance Company	(56)	(29)
Change in due from/to brokers	(9)	36
	<u>3,183</u>	<u>1,849</u>
Financing Activities		
Contractholder deposits	1,535	1,011
Contractholder withdrawals	(4,703)	(2,840)
	<u>(3,168)</u>	<u>(1,829)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	15	20
Cash, short-term deposits and overdrafts, beginning of year	(24)	(44)
Cash, short-term deposits and overdrafts, end of year	\$ (9)	\$ (24)

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Emerging Markets Large Cap Equity Fund Series S *	1,303,170	16,919	18,339
Total Investments		16,919	18,339

Top 25 Holdings

Security Description	% of Total
iShares MSCI India ETF	16.79%
Taiwan Semiconductor Manufacturing Co. Ltd.	10.61%
Tencent Holdings Ltd.	5.97%
iShares MSCI Saudi Arabia ETF	3.38%
China Construction Bank Corp.	2.32%
Alibaba Group Holding Ltd.	2.00%
Geely Automobile Holdings Ltd.	1.85%
Hon Hai Precision Industry Co. Ltd.	1.85%
HD Korea Shipbuilding and Offshore Engineering Co. Ltd.	1.83%
360 Finance Inc.	1.81%
Kia Motors Corp.	1.81%
Pop Mart International Group Ltd.	1.80%
AAC Technologies Holdings Inc.	1.79%
Sunny Optical Technology Group Co. Ltd.	1.79%
China Tower Corp. Ltd.	1.77%
SK Biopharmaceuticals Co. Ltd.	1.76%
New China Life Insurance Co. Ltd.	1.67%
Emirates NBD PJSC	1.62%
Woori Financial Group Inc.	1.46%
Korea Aerospace Industries Ltd.	1.40%
Clicks Group Ltd.	1.37%
Kingsoft Corp. Ltd.	1.34%
Yang Ming Marine Transport Corp.	1.32%
Samsung Electronics Co. Ltd.	1.30%
Abu Dhabi Commercial Bank PJSC	1.17%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	212,266	236,935	261,472	306,505	90,526	3,069	2,889	2,848	4,024	1,178
75/100 guarantee policy	261,494	310,761	353,044	404,197	86,248	3,686	3,706	3,774	5,226	1,109
PS1 75/75 guarantee policy	209,432	171,961	239,229	280,042	68,535	3,074	2,120	2,624	3,688	891
PS1 75/100 guarantee policy	228,557	235,436	248,231	317,759	84,624	3,293	2,859	2,691	4,150	1,095
PS2 75/75 guarantee policy	25,505	28,634	30,646	33,362	13,233	438	402	372	472	180
PS2 75/100 guarantee policy	81,308	85,496	94,366	124,405	33,750	1,397	1,199	1,145	1,761	458
PS 75/75 guarantee policy	8,586	14,004	9,481	11,310	6,588	131	178	107	152	87
PS 75/100 guarantee policy	14,634	16,694	22,268	44,728	3,684	219	209	247	595	48
PPS 75/75 guarantee policy	34,628	30,673	27,613	26,424	17,725	541	398	315	358	235
PPS 75/100 guarantee policy	3,002	4,699	5,597	24,424	1,929	46	60	63	328	25
75/75 Constellation	132,471	202,510	182,895	115,552	39,911	1,756	2,248	1,801	1,362	463
75/100 Constellation	53,140	155,416	172,167	119,695	47,421	693	1,702	1,679	1,401	548
100/100 Constellation	5,045	11,656	12,899	14,195	4,845	65	126	125	165	57

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.46	12.19	10.89	13.13	13.02	2.27	1.30
75/100 guarantee policy	14.10	11.93	10.69	12.93	12.86	2.17	1.24
PS1 75/75 guarantee policy	14.68	12.33	10.97	13.17	13.00	2.35	1.36
PS1 75/100 guarantee policy	14.41	12.14	10.84	13.06	12.94	2.27	1.30
PS2 75/75 guarantee policy	17.19	14.03	12.13	14.16	13.59	3.16	1.90
PS2 75/100 guarantee policy	17.19	14.03	12.13	14.15	13.58	3.16	1.90
PS 75/75 guarantee policy	15.26	12.73	11.24	13.40	13.14	2.53	1.49
PS 75/100 guarantee policy	14.98	12.54	11.11	13.29	13.08	2.44	1.43
PPS 75/75 guarantee policy	15.61	12.97	11.41	13.55	13.23	2.64	1.56
PPS 75/100 guarantee policy	15.32	12.77	11.28	13.43	13.16	2.55	1.49
75/75 Constellation	13.26	11.10	9.85	11.79	11.60	2.16	1.25
75/100 Constellation	13.04	10.96	9.75	11.71	11.56	2.08	1.21
100/100 Constellation	12.83	10.81	9.66	11.63	11.53	2.02	1.15

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Emerging Markets Large Cap Equity Fund (Mackenzie) SF549

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.28	3.26	3.25	3.23	3.35
75/100 guarantee policy	3.62	3.59	3.58	3.56	3.69
PS1 75/75 guarantee policy	2.88	2.86	2.85	2.83	2.91
PS1 75/100 guarantee policy	3.22	3.19	3.19	3.16	3.25
PS 75/75 guarantee policy	2.17	2.15	2.14	2.13	2.21
PS 75/100 guarantee policy	2.50	2.49	2.49	2.46	2.56
PPS 75/75 guarantee policy	1.77	1.76	1.75	1.72	1.78
PPS 75/100 guarantee policy	2.11	2.09	2.08	2.04	2.12
75/75 Constellation	2.57	2.55	2.52	2.51	2.58
75/100 Constellation	2.90	2.88	2.86	2.84	2.91
100/100 Constellation	3.24	3.21	3.20	3.17	3.23

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.88	2.86	2.85	2.83	2.95
PS1 75/100 guarantee policy	3.22	3.19	3.19	3.16	3.29
PPS 75/75 guarantee policy	1.77	1.76	1.75	1.72	1.82
PPS 75/100 guarantee policy	2.11	2.09	2.08	2.04	2.16

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	15.63	7.51	12.26	20.79	28.18

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS EMERGING MARKETS EQUITY FUND
(NORTHCAPÉ) SF550

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Emerging Markets Equity Fund (Northcape) SF550 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Emerging Markets Equity Fund (Northcape) SF550

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 13	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	35	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	36,981	118,623
Total investments	36,981	118,623
Total assets	\$ 37,029	\$ 118,623
Liabilities		
Overdrafts	\$ —	\$ 17
Due to The Canada Life Assurance Company (note 8)	—	27
Due to brokers	—	16
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	60
Net assets attributable to contractholders	\$ 37,029	\$ 118,563

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 7,497	\$ 16,960
Miscellaneous income (loss)	—	—
Total income (loss)	7,497	16,960
Expenses		
Management fees (note 8)	1,144	1,198
Other	129	133
Total expenses	1,273	1,331
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 6,224	\$ 15,629

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 118,563	\$ 108,202
Contractholder deposits	6,147	9,157
Contractholder withdrawals	(93,905)	(14,425)
Increase (decrease) in net assets from operations attributable to contractholders	6,224	15,629
Change in net assets attributable to contractholders	(81,534)	10,361
Net assets attributable to contractholders - end of year	\$ 37,029	\$ 118,563

Pathways Emerging Markets Equity Fund (Northcape) SF550

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 6,224	\$ 15,629
Adjustments		
Realized (gains) losses	(3,292)	983
Unrealized (gains) losses	(2,165)	(16,155)
Gross proceeds of disposition of investments	96,839	13,153
Gross payments for the purchase of investments	(7,700)	(6,695)
Distribution income of underlying mutual fund	(2,040)	(1,788)
Change in due from/to The Canada Life Assurance Company	(62)	53
Change in due from/to brokers	(16)	3
	87,788	5,183
Financing Activities		
Contractholder deposits	6,147	9,157
Contractholder withdrawals	(93,905)	(14,425)
	(87,758)	(5,268)
Net increase (decrease) in cash, short-term deposits and overdrafts	30	(85)
Cash, short-term deposits and overdrafts, beginning of year	(17)	68
Cash, short-term deposits and overdrafts, end of year	\$ 13	\$ (17)

Pathways Emerging Markets Equity Fund (Northcape) SF550

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Emerging Markets Concentrated Equity Fund Series S *	2,677,850	37,023	36,981
Total Investments		37,023	36,981

Top 25 Holdings

Security Description	% of Total
Taiwan Semiconductor Manufacturing Co. Ltd.	9.45%
Tata Consultancy Services Ltd.	5.92%
Maruti Suzuki India Ltd.	5.65%
PT Bank Central Asia TBK	5.49%
HDFC Bank Ltd. ADR	5.30%
SK Hynix Inc.	4.78%
Samsung Electronics Co. Ltd.	4.73%
Dino Polska SA	4.67%
Grupo Aeroportuario del Pacifico SAB de CV ADR	4.37%
Fomento Economico Mexicano SAB de CV (FEMSA) ADR	4.26%
Techtronic Industries Co. Ltd.	3.89%
America Movil SAB de CV ADR	3.84%
Woongjin Coway Co. Ltd.	3.72%
Walmart de Mexico SAB de CV	3.70%
HDFC Bank Ltd.	2.80%
Bharti Airtel Ltd.	2.73%
MercadoLibre Inc.	2.71%
Delta Electronics Inc.	2.46%
BDO Unibank Inc.	2.09%
Grupo Financiero Banorte SAB de CV Series O	2.05%
Cash and short-term deposits	1.93%
Voltronic Power Technology Corp.	1.83%
AIA Group Ltd.	1.81%
Advantech Co. Ltd.	1.56%
Rede D'Or Sao Luiz SA	1.38%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Emerging Markets Equity Fund (Northcape) SF550

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	491,839	597,158	677,073	728,817	208,874	5,935	7,172	7,253	9,451	2,849
75/100 guarantee policy	690,521	859,802	948,578	984,391	473,215	8,155	10,141	10,012	12,619	6,403
PS1 75/75 guarantee policy	555,071	535,920	460,338	455,261	140,941	6,840	6,547	4,996	5,957	1,931
PS1 75/100 guarantee policy	679,274	700,254	715,344	603,311	218,100	8,213	8,422	7,669	7,824	2,972
PS2 75/75 guarantee policy	161,746	102,293	257,372	218,420	112,529	2,361	1,435	3,109	3,084	1,614
PS2 75/100 guarantee policy	59,033	52,409	58,728	93,745	47,799	862	735	709	1,324	685
PS 75/75 guarantee policy	24,710	32,781	38,255	37,123	13,825	316	413	425	494	191
PS 75/100 guarantee policy	31,876	37,905	42,130	77,282	10,316	400	470	462	1,019	142
PPS 75/75 guarantee policy	63,121	66,090	66,451	58,388	22,135	827	849	750	785	308
PPS 75/100 guarantee policy	51,303	62,788	88,458	70,464	14,631	660	794	986	940	203
75/75 Constellation	107,709	261,401	256,604	216,309	46,090	1,301	3,114	2,701	2,731	606
75/100 Constellation	94,151	247,566	259,073	236,306	74,616	1,119	2,911	2,701	2,964	979
100/100 Constellation	3,454	7,868	8,253	12,494	682	40	91	85	156	9

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.07	12.01	10.71	12.97	13.64	0.06	1.30
75/100 guarantee policy	11.81	11.79	10.56	12.82	13.53	0.02	1.23
PS1 75/75 guarantee policy	12.32	12.22	10.85	13.08	13.70	0.10	1.37
PS1 75/100 guarantee policy	12.09	12.03	10.72	12.97	13.63	0.06	1.31
PS2 75/75 guarantee policy	14.60	14.02	12.08	14.12	14.34	0.58	1.94
PS2 75/100 guarantee policy	14.60	14.02	12.08	14.12	14.34	0.58	1.94
PS 75/75 guarantee policy	12.80	12.60	11.11	13.30	13.84	0.20	1.49
PS 75/100 guarantee policy	12.56	12.40	10.98	13.19	13.76	0.16	1.42
PPS 75/75 guarantee policy	13.10	12.84	11.28	13.45	13.93	0.26	1.56
PPS 75/100 guarantee policy	12.86	12.65	11.15	13.34	13.86	0.21	1.50
75/75 Constellation	12.08	11.91	10.53	12.62	13.16	0.17	1.38
75/100 Constellation	11.88	11.76	10.42	12.54	13.12	0.12	1.34
100/100 Constellation	11.69	11.61	10.32	12.46	13.08	0.08	1.29

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Emerging Markets Equity Fund (Northcape) SF550 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Emerging Markets Equity Fund (Northcape) SF550

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.52	3.49	3.50	3.49	3.57
75/100 guarantee policy	3.85	3.83	3.83	3.80	3.90
PS1 75/75 guarantee policy	3.12	3.10	3.09	3.02	3.10
PS1 75/100 guarantee policy	3.45	3.43	3.42	3.35	3.43
PS 75/75 guarantee policy	2.40	2.39	2.38	2.37	2.45
PS 75/100 guarantee policy	2.73	2.72	2.74	2.72	2.79
PPS 75/75 guarantee policy	2.00	1.99	1.98	1.93	1.99
PPS 75/100 guarantee policy	2.33	2.32	2.31	2.26	2.32
75/75 Constellation	2.57	2.56	2.56	2.56	2.61
75/100 Constellation	2.91	2.89	2.89	2.87	2.96
100/100 Constellation	3.25	3.23	3.24	3.23	3.29

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	3.12	3.10	3.09	3.08	3.18
PS1 75/100 guarantee policy	3.45	3.43	3.42	3.41	3.51
PPS 75/75 guarantee policy	2.00	1.99	1.98	1.99	2.07
PPS 75/100 guarantee policy	2.33	2.32	2.31	2.32	2.40

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.57	5.88	4.75	5.63	24.14

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
PATHWAYS GLOBAL TACTICAL FUND (ILIM) SF551

December 31, 2024

Independent Auditor's Report

To the Contractholders of Pathways Global Tactical Fund (ILIM) SF551 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Pathways Global Tactical Fund (ILIM) SF551

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 23	\$ 4
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	10
Due from brokers	—	8
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	27,642	23,768
Total investments	27,642	23,768
Total assets	\$ 27,665	\$ 23,790
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	5	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	—
Net assets attributable to contractholders	\$ 27,660	\$ 23,790

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,716	\$ 4,158
Miscellaneous income (loss)	—	—
Total income (loss)	6,716	4,158
Expenses		
Management fees (note 8)	269	237
Other	31	28
Total expenses	300	265
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 6,416	\$ 3,893

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 23,790	\$ 25,247
Contractholder deposits	1,091	3,297
Contractholder withdrawals	(3,637)	(8,647)
Increase (decrease) in net assets from operations attributable to contractholders	6,416	3,893
Change in net assets attributable to contractholders	3,870	(1,457)
Net assets attributable to contractholders - end of year	\$ 27,660	\$ 23,790

Pathways Global Tactical Fund (ILIM) SF551

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 6,416	\$ 3,893
Adjustments		
Realized (gains) losses	(1,169)	(79)
Unrealized (gains) losses	(5,159)	(3,740)
Gross proceeds of disposition of investments	5,695	8,528
Gross payments for the purchase of investments	(2,853)	(2,893)
Distribution income of underlying mutual fund	(388)	(339)
Change in due from/to The Canada Life Assurance Company	15	(20)
Change in due from/to brokers	8	(32)
	<u>2,565</u>	<u>5,318</u>
Financing Activities		
Contractholder deposits	1,091	3,297
Contractholder withdrawals	(3,637)	(8,647)
	<u>(2,546)</u>	<u>(5,350)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	19	(32)
Cash, short-term deposits and overdrafts, beginning of year	4	36
Cash, short-term deposits and overdrafts, end of year	\$ 23	\$ 4

Pathways Global Tactical Fund (ILIM) SF551

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Tactical Fund *	1,736,825	20,589	27,642
Total Investments		20,589	27,642

Top Holdings

Security Description	% of Total
Vanguard S&P 500 ETF	76.32%
Vanguard FTSE Developed Markets ETF	23.30%
Cash and short-term deposits	0.38%

*The issuer of this security is a related company to the issuer of the Fund.

Pathways Global Tactical Fund (ILIM) SF551

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 Constellation	578,504	596,698	569,567	472,250	138,323	8,649	7,048	5,777	5,626	1,379
75/100 Constellation	360,109	525,420	560,233	511,867	199,388	5,279	6,110	5,616	6,050	1,980
100/100 Constellation	20,304	25,244	26,946	37,180	8,175	294	290	268	437	81

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 Constellation	14.95	11.81	10.14	11.91	9.97	3.14	1.67
75/100 Constellation	14.66	11.63	10.02	11.82	9.93	3.03	1.61
100/100 Constellation	14.46	11.50	9.94	11.76	9.90	2.96	1.56

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Pathways Global Tactical Fund (ILIM) SF551 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S1C 75/75 Constellation IC Wealth,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S2C 75/75 Constellation IC Wealth,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy,
- Option S3HF PPS 100/100 guarantee policy, and
- Option S3C 75/75 Constellation IC Wealth.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Pathways Global Tactical Fund (ILIM) SF551

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Pathways Global Tactical Fund (ILIM) SF551

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 Constellation	1.95	1.93	1.95	1.91	1.85
75/100 Constellation	2.34	2.32	2.34	2.30	2.25
100/100 Constellation	2.62	2.59	2.63	2.60	2.52

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	10.84	12.01	7.49	2.04	6.96

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (BG) SF552

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (BG) SF552 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (BG) SF552

(in Canadian \$ thousands)

Fund Manager: Beutel, Goodman & Company Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 22,026	\$ 10,559
Investment income due and accrued	2,128	1,880
Due from The Canada Life Assurance Company (note 7)	154	786
Due from brokers	411	—
Due from outside parties	—	—
Investments		
Bonds	208,597	188,724
Stocks	459,111	400,634
Investment fund units	—	—
Total investments	667,708	589,358
Total assets	\$ 692,427	\$ 602,583
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	2,263	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	2,263	—
Net assets attributable to contractholders	\$ 690,164	\$ 602,583

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 79,046	\$ 47,085
Miscellaneous income (loss)	58	86
Total income (loss)	79,104	47,171
Expenses		
Management fees (note 7)	14,555	12,525
Transaction costs	126	42
Withholding taxes	542	520
Other	1,723	1,495
Total expenses	16,946	14,582
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 62,158	\$ 32,589

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 602,583	\$ 491,753
Contractholder deposits	105,285	153,363
Contractholder withdrawals	(79,862)	(75,122)
Increase (decrease) in net assets from operations attributable to contractholders	62,158	32,589
Change in net assets attributable to contractholders	87,581	110,830
Net assets attributable to contractholders - end of year	\$ 690,164	\$ 602,583

Balanced Fund (BG) SF552

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 62,158	\$ 32,589
Adjustments		
Realized (gains) losses	(30,064)	3,092
Unrealized (gains) losses	(28,808)	(32,625)
Gross proceeds of disposition of investments	322,312	216,452
Gross payments for the purchase of investments	(341,790)	(304,173)
Change in investment income due and accrued	(248)	(566)
Change in due from/to The Canada Life Assurance Company	632	(124)
Change in due from/to brokers	1,852	(5,307)
Change in due from/to outside parties	—	—
	(13,956)	(90,662)
Financing Activities		
Contractholder deposits	105,285	153,363
Contractholder withdrawals	(79,862)	(75,122)
	25,423	78,241
Net increase (decrease) in cash, short-term deposits and overdrafts	11,467	(12,421)
Cash, short-term deposits and overdrafts, beginning of year	10,559	22,980
Cash, short-term deposits and overdrafts, end of year	\$ 22,026	\$ 10,559
Supplementary cash flow information		
Interest income received	\$ 7,723	\$ 5,693
Dividend income received	11,514	10,682

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Government of Canada 0.50% 12-01-2030	6,188,000	5,313	5,345
Government of Canada 1.25% 03-01-2027	495,000	451	478
Government of Canada 1.50% 06-01-2031	571,000	515	519
Government of Canada 1.75% 12-01-2053	1,830,000	1,281	1,297
Government of Canada 2.00% 06-01-2032	966,000	887	894
Government of Canada 2.00% 12-01-2051	529,000	451	404
Government of Canada 2.25% 12-01-2029	400,000	374	387
Government of Canada 2.75% 06-01-2033	403,000	388	391
Government of Canada 2.75% 09-01-2027	503,000	500	501
Government of Canada 2.75% 12-01-2055	303,000	271	269
Government of Canada 3.00% 06-01-2034	17,081,000	16,276	16,788
Government of Canada 3.25% 09-01-2028	1,375,000	1,359	1,390
Government of Canada 3.25% 12-01-2033	652,000	648	655
Government of Canada 3.25% 12-01-2034	12,192,000	12,220	12,216
Government of Canada 3.50% 03-01-2028	1,818,000	1,849	1,851
Government of Canada 3.50% 03-01-2034	2,495,000	2,486	2,554
Government of Canada 4.00% 03-01-2029	1,128,000	1,168	1,174
Government of Canada 4.50% 02-01-2026	49,000	49	50
Government of Canada 4.50% 11-01-2025	906,000	908	917
Government of Canada 5.00% 06-01-2037	2,618,000	3,136	3,080
Total Federal Government		50,530	51,160
Provincial Government			
Ontario Power Generation Inc. 3.215% 04-08-2030	303,000	292	296
Province of Alberta 2.05% 06-01-2030	1,386,000	1,342	1,302
Province of Alberta 2.95% 06-01-2052	692,000	580	552
Province of Alberta 3.10% 06-01-2050	3,318,000	3,228	2,739
Province of Alberta 3.90% 12-01-2033	1,916,000	1,894	1,941
Province of Alberta 4.15% 06-01-2033	1,610,000	1,587	1,666
Province of British Columbia 2.75% 06-18-2052	1,954,000	1,677	1,488
Province of British Columbia 2.95% 06-18-2050	1,546,000	1,394	1,235
Province of British Columbia 3.55% 06-18-2033	1,116,000	1,046	1,104
Province of British Columbia 4.15% 06-18-2034	2,193,000	2,157	2,249

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Ontario 1.05% 09-08-2027	2,851,000	2,628	2,707
Province of Ontario 1.85% 02-01-2027	1,001,000	1,013	978
Province of Ontario 1.90% 12-02-2051	7,560,000	5,084	4,808
Province of Ontario 3.45% 06-02-2045	3,120,000	3,108	2,793
Province of Ontario 3.50% 06-02-2043	3,913,000	3,981	3,558
Province of Ontario 3.80% 12-02-2034	3,618,000	3,595	3,604
Province of Ontario 4.15% 06-02-2034	3,725,000	3,664	3,828
Province of Ontario 4.60% 12-02-2055	1,538,000	1,676	1,649
Province of Ontario 4.65% 06-02-2041	390,000	399	412
Province of Ontario 4.70% 06-02-2037	6,202,000	6,653	6,621
Province of Quebec 2.85% 12-01-2053	1,000,000	751	773
Province of Quebec 3.10% 12-01-2051	3,548,000	3,543	2,914
Province of Quebec 3.50% 12-01-2045	4,007,000	4,124	3,588
Province of Quebec 3.50% 12-01-2048	355,000	433	315
Province of Quebec 4.20% 12-01-2057	1,742,000	1,717	1,737
Province of Quebec 4.40% 12-01-2055	819,000	861	844
Province of Quebec 4.45% 09-01-2034	5,168,000	5,194	5,420
Province of Quebec 5.00% 12-01-2038	391,000	426	427
Province of Quebec 5.00% 12-01-2041	2,116,000	2,713	2,316
Province of Saskatchewan 5.80% 09-05-2033	178,000	200	205
Total Provincial Government		66,960	64,069
Municipal Government			
City of Toronto 1.60% 12-02-2030	204,000	186	185
City of Toronto 3.25% 06-24-2046	1,397,000	1,417	1,163
City of Toronto 4.00% 12-02-2034	177,000	177	178
City of Toronto 4.90% 05-15-2054	108,000	107	116
Municipal Finance Authority of British Columbia 3.75% 12-03-2034	191,000	191	189
Municipal Finance Authority of British Columbia 4.05% 12-03-2033	397,000	387	405
Total Municipal Government		2,465	2,236

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible			
407 International Inc. 4.86% 07-31-2053	662,000	671	694
407 International Inc. 4.89% 04-04-2054	150,000	156	158
AltaGas Ltd. 4.638% 05-15-2026	1,451,000	1,438	1,473
AltaGas Ltd. 4.672% 01-08-2029	544,000	544	562
AltaLink LP 3.717% 12-03-2046	210,000	212	187
AltaLink LP 5.463% 10-11-2055	416,000	416	480
ARC Resources Ltd. 2.354% 03-10-2026	871,000	871	859
Bank of Montreal 4.42% 07-17-2029	1,595,000	1,607	1,639
Bank of Montreal 5.039% 05-29-2028	2,663,000	2,684	2,781
Bell Canada 2.50% 05-14-2030	800,000	706	743
Bell Canada 4.55% 02-09-2030	849,000	840	870
Bell Canada 5.15% 08-24-2034	1,008,000	1,027	1,050
Bell Canada 5.85% 11-10-2032	167,000	167	183
Bell Canada 6.10% 03-16-2035	189,000	203	210
British Columbia Investment Management Corp. 4.90% 06-02-2033	834,000	831	903
Brookfield Renewable Partners ULC 5.292% 10-28-2033	1,020,000	1,045	1,086
Calgary Airport Authority 3.754% 10-07-2061	647,887	570	579
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	410,000	409	410
Canadian Imperial Bank of Commerce 4.90% 04-02-2027	364,000	364	370
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	1,871,000	1,871	1,924
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	678,000	684	704
Canadian National Railway Co. 4.70% 05-10-2053	362,000	359	370
Canadian Natural Resources Ltd. 4.15% 12-15-2031	610,000	609	611
CDP Financial Inc. 3.70% 03-08-2028	416,000	415	423
CDP Financial Inc. 3.80% 06-02-2027	743,000	743	756
CDP Financial Inc. 3.95% 09-01-2029	1,739,000	1,734	1,792
CDP Financial Inc. 4.20% 12-02-2030	474,000	473	494
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	700,000	700	751
Coastal Gaslink Pipeline LP 5.395% 09-30-2036	580,000	580	633
Coastal Gaslink Pipeline LP 5.857% 06-30-2049	971,000	1,000	1,124
CPPIB Capital Inc. 3.60% 06-02-2029	538,000	537	547
Enbridge Gas Distribution Inc. 7.60% 10-29-2026	252,000	317	269
Enbridge Gas Inc. 3.65% 04-01-2050	1,613,000	1,471	1,378
Enbridge Gas Inc. 5.70% 10-06-2033	511,000	511	570

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Enbridge Inc. 4.90% 05-26-2028	873,000	872	907
Enbridge Inc. 6.90% 11-15-2032	433,000	520	508
Enbridge Inc. 8.495% 01-15-2084	302,000	302	336
Enbridge Inc. 8.747% 01-15-2084	444,000	444	527
Enbridge Pipelines Inc. 4.20% 05-12-2051	339,000	302	297
Enbridge Pipelines Inc. 6.05% 02-12-2029	251,000	292	266
Equitable Bank 3.91% 12-17-2027	526,000	526	527
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	878,000	878	933
Ford Credit Canada Co. 5.582% 05-23-2031	141,000	141	147
Ford Credit Canada Co. 6.326% 11-10-2026	264,000	264	275
Ford Credit Canada Co. 6.382% 11-10-2028	75,000	75	80
Fortis Inc. 5.677% 11-08-2033	340,000	340	373
FortisAlberta Inc. 3.734% 09-18-2048	598,000	607	525
FortisBC Energy Inc. 2.54% 07-13-2050	573,000	464	399
FortisBC Energy Inc. 6.00% 10-02-2037	185,000	254	211
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	755,000	753	782
Greater Toronto Airports Authority 4.53% 12-02-2041	149,000	152	150
Hydro One Inc. 4.25% 01-04-2035	646,000	646	653
Hydro One Inc. 4.39% 03-01-2034	368,000	368	378
Hydro One Inc. 4.46% 01-27-2053	191,000	189	189
Hydro One Inc. 5.54% 10-20-2025	115,000	115	117
Hyundai Capital Canada Inc. 4.813% 02-01-2027	153,000	153	157
Lower Mattagami Energy LP 2.433% 05-14-2031	69,000	69	64
Manulife Bank of Canada 3.992% 02-22-2028	1,407,000	1,407	1,425
Manulife Bank of Canada 4.546% 03-08-2029	1,494,000	1,494	1,544
National Bank of Canada 3.637% 10-07-2027	595,000	595	596
NOVA Gas Transmission Ltd. 6.59% 12-01-2027	41,000	52	44
NRM Cabin Finance #1 LP/NRM Cabin Intermediate #1 LP 5.583% 07-31-2033	493,038	493	526
OMERS Finance Trust 1.55% 04-21-2027	548,000	552	529
Ontario Teachers' Finance Trust 1.10% 10-19-2027	1,389,000	1,327	1,314
Pembina Pipeline Corp. 5.02% 01-12-2032	711,000	711	744
Pembina Pipeline Corp. 5.22% 06-28-2033	493,000	493	521
Penske Truck Leasing Canada Inc. 5.44% 12-08-2025	791,000	801	805
PSP Capital Inc. 0.90% 06-15-2026	290,000	280	281

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
PSP Capital Inc. 3.75% 06-15-2029	1,209,000	1,203	1,236
PSP Capital Inc. 4.25% 12-01-2055	609,000	606	613
Rogers Communications Inc. 5.80% 09-21-2030	1,191,000	1,190	1,290
Royal Bank of Canada 3.626% 12-10-2028	1,906,000	1,906	1,910
Royal Bank of Canada 4.50% 11-24-2080	893,000	922	893
Royal Bank of Canada 4.632% 05-01-2028	3,319,000	3,358	3,428
Royal Bank of Canada 4.642% 01-17-2028	1,312,000	1,311	1,354
Royal Bank of Canada 5.096% 04-03-2034	743,000	743	773
Royal Bank of Canada 5.235% 11-02-2026	3,050,000	3,039	3,147
Suncor Energy Inc. 5.60% 11-17-2025	667,000	666	679
TELUS Corp. 4.80% 12-15-2028	974,000	973	1,009
TELUS Corp. 4.95% 03-28-2033	232,000	232	240
The Bank of Nova Scotia 3.836% 09-26-2030	186,000	186	186
The Bank of Nova Scotia 4.442% 11-15-2035	154,000	154	156
The Bank of Nova Scotia 4.95% 08-01-2034	589,000	588	609
The Bank of Nova Scotia 5.50% 12-29-2025	665,000	665	679
The Bank of Nova Scotia 7.023% 07-27-2082	974,000	970	1,015
The First Nations Finance Authority 4.10% 06-01-2034	1,407,000	1,393	1,425
The Toronto-Dominion Bank 4.344% 01-27-2026	2,389,000	2,359	2,411
The Toronto-Dominion Bank 4.423% 10-31-2035	1,246,000	1,246	1,259
The Toronto-Dominion Bank 4.68% 01-08-2029	1,373,000	1,373	1,422
The Toronto-Dominion Bank 5.177% 04-09-2034	157,000	157	163
The Toronto-Dominion Bank 5.376% 10-21-2027	475,000	470	498
The Toronto-Dominion Bank 5.423% 07-10-2026	1,533,000	1,533	1,577
The Toronto-Dominion Bank 5.491% 09-08-2028	3,457,000	3,478	3,669
The Toronto-Dominion Bank 7.283% 10-31-2082	646,000	648	681
TMX Group Ltd. 4.678% 08-16-2029	725,000	725	757
Toyota Credit Canada Inc. 4.46% 03-19-2029	535,000	535	551
TransCanada PipeLines Ltd. 5.277% 07-15-2030	165,000	164	175
TransCanada PipeLines Ltd. 7.31% 01-15-2027	131,000	160	139
TransCanada PipeLines Ltd. 7.90% 04-15-2027	30,000	37	32
TransCanada PipeLines Ltd. 8.20% 08-15-2031	334,000	468	392
TransCanada PipeLines Ltd. 8.21% 04-25-2030	233,000	333	269
TransCanada PipeLines Ltd. 8.29% 02-05-2026	1,415,000	1,728	1,477

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Union Gas Ltd. 3.59% 11-22-2047	310,000	289	264
Union Gas Ltd. 8.65% 11-10-2025	69,000	93	72
Vancouver Airport Fuel Facilities Corp. 2.168% 06-23-2025	313,000	296	311
Veren Inc. 4.968% 06-21-2029	510,000	510	526
Westcoast Energy Inc. 7.15% 03-20-2031	625,000	725	713
Westcoast Energy Inc. 7.30% 12-18-2026	1,806,000	2,228	1,907
Westcoast Energy Inc. 8.85% 07-21-2025	100,000	108	103
WSP Global Inc. 4.12% 09-12-2029	616,000	616	622
WSP Global Inc. 4.754% 09-12-2034	173,000	173	175
WSP Global Inc. 5.548% 11-22-2030	766,000	766	823
Total Corporate - Non-convertible		85,019	86,343
Total Canadian Bonds		204,974	203,808
United States Bonds			
Corporate - Non-convertible			
Wells Fargo & Co. 5.083% 04-26-2028	1,143,000	1,143	1,179
Total Corporate - Non-convertible		1,143	1,179
Total United States Bonds		1,143	1,179
Global Bonds			
France			
Electricite de France SA 5.379% 05-17-2034	538,000	547	564
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	1,962,000	1,911	1,915
Heathrow Funding Ltd. 3.726% 04-13-2033	451,000	410	429

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
United Kingdom			
National Grid Electricity Transmission PLC 2.301% 06-22-2029	744,000	687	702
Total Global Bonds		3,555	3,610
Total Bonds		209,672	208,597
Canadian Common Stock			
Communication Services			
Quebecor Media Inc. Class B sub. voting	110,610	3,358	3,484
Rogers Communications Inc. Class B non-voting	194,150	11,576	8,579
Consumer Discretionary			
BRP Inc.	56,690	5,644	4,150
Magna International Inc.	130,770	10,463	7,857
Restaurant Brands International Inc.	89,900	7,697	8,423
Consumer Staples			
Alimentation Couche-Tard Inc.	123,880	7,797	9,876
George Weston Ltd.	18,360	2,462	4,104
Loblaw Companies Ltd.	18,480	2,191	3,496
Metro Inc.	118,870	8,020	10,716
Saputo Inc.	92,020	3,087	2,300
Energy			
Suncor Energy Inc.	146,220	5,416	7,503
TC Energy Corp.	110,580	6,013	7,408
Tourmaline Oil Corp.	83,890	5,183	5,580
Financials			
Bank of Montreal	109,390	13,535	15,265
Brookfield Asset Management Inc. Class A	45,620	2,085	3,557
Brookfield Corp.	99,060	5,101	8,184
Manulife Financial Corp.	208,890	5,379	9,225
Royal Bank of Canada	118,880	14,988	20,604

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials (continued)			
Sun Life Financial Inc.	84,490	5,337	7,211
The Bank of Nova Scotia	103,830	7,082	8,015
The Toronto-Dominion Bank	270,060	21,718	20,667
Industrials			
ATS Corp.	95,020	4,041	4,166
Boyd Group Services Inc.	19,820	4,310	4,297
CAE Inc.	202,990	6,171	7,409
Canadian National Railway Co.	68,100	9,990	9,941
Canadian Pacific Kansas City Ltd.	80,750	7,613	8,404
GFL Environmental Inc.	109,060	5,920	6,989
RB Global Inc.	101,090	8,035	13,115
Information Technology			
CGI Group Inc. Class A sub. voting	58,190	7,529	9,152
Open Text Corp.	127,180	6,681	5,174
Materials			
CCL Industries Inc. Class B non-voting	85,890	5,153	6,352
Franco-Nevada Corp.	29,560	4,675	4,993
Nutrien Ltd.	96,990	7,572	6,238
Real Estate			
Colliers International Group Inc.	25,240	3,695	4,934
Utilities			
Fortis Inc.	135,870	7,637	8,116
Total Canadian Common Stock		243,154	275,484
United States Common Stock			
Communication Services			
Comcast Corp. Class A	153,350	8,703	8,275

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Communication Services (continued)			
Omnicom Group Inc.	49,570	4,969	6,132
The Interpublic Group of Companies Inc.	138,120	6,059	5,565
Consumer Discretionary			
eBay Inc.	100,000	7,088	8,907
Gentex Corp.	94,240	3,898	3,893
Harley-Davidson Inc.	117,320	5,672	5,082
Polaris Inc.	39,460	5,835	3,269
Tempur Sealy International Inc.	32,080	1,232	2,615
Consumer Staples			
Kellanova	21,900	1,703	2,550
Kimberly-Clark Corp.	42,730	7,351	8,051
The Campbell's Company	101,430	6,202	6,108
Financials			
American Express Co.	20,760	4,227	8,859
Ameriprise Financial Inc.	7,500	2,556	5,742
BlackRock Inc.	3,450	2,961	5,085
SEI Investments Co.	41,910	3,177	4,970
The Carlyle Group Inc.	43,710	1,949	3,173
Health Care			
Amgen Inc.	18,130	5,799	6,794
Biogen Inc.	25,760	8,340	5,664
Cencora Inc.	6,940	1,180	2,242
Merck & Co. Inc.	62,110	8,168	8,884
Industrials			
Cummins Inc.	9,430	2,705	4,727
Flowserve Corp.	40,640	1,855	3,361
Masco Corp.	42,020	2,844	4,384
Wabtec Corp.	16,920	1,914	4,612

Balanced Fund (BG) SF552

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology			
Gen Digital Inc.	240,690	7,229	9,475
NetApp Inc.	45,140	4,268	7,534
Qualcomm Inc.	34,690	6,172	7,662
Materials			
PPG Industries Inc.	46,540	8,336	7,993
Total United States Common Stock		132,392	161,608
Global Common Stock			
Guernsey			
Amdocs Ltd.	69,780	7,249	8,542
Ireland			
Medtronic Co. PLC	66,050	8,232	7,586
Switzerland			
Chubb Ltd.	14,830	5,928	5,891
Total Global Common Stock		21,409	22,019
Total Stocks		396,955	459,111
Transaction Costs (note 2)		(127)	
Total Investments		606,500	667,708

Balanced Fund (BG) SF552

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Balanced Fund (BG) SF552 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Balanced Fund (BG) SF552

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 183,628	\$ 36	\$ 183,664	\$	1,837
Total	\$ 183,628	\$ 36	\$ 183,664	\$	1,837
As Percent of Net Assets Attributable to Contractholders				26.6%	0.3%
<i>*Includes both monetary and non-monetary instruments</i>					

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 165,241	\$ 75	\$ 165,316	\$	1,653
Total	\$ 165,241	\$ 75	\$ 165,316	\$	1,653
As Percent of Net Assets Attributable to Contractholders				27.4%	0.3%
<i>*Includes both monetary and non-monetary instruments</i>					

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 3,683	\$ 65,156	\$ 80,678	\$ 59,080	\$ 208,597
2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 2,033	\$ 61,372	\$ 69,587	\$ 55,732	\$ 188,724

Balanced Fund (BG) SF552

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$15,707 (\$14,307 at December 31, 2023) or approximately 2.3% (2.4% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	3.7	1.1	3.8	1.2
AA	57.8	17.5	36.9	11.5
A	22.3	6.7	39.0	12.2
BBB	15.5	4.7	20.0	6.3
BB and lower	0.7	0.2	0.3	0.1
Total	100.0	30.2	100.0	31.3

Balanced Fund (BG) SF552

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$4,591 (\$4,006 at December 31, 2023) or approximately 0.7% (0.7% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

G. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 208,597	\$ —	\$ 208,597
Stocks	459,111	—	—	459,111
Total assets measured at fair value	\$ 459,111	\$ 208,597	\$ —	\$ 667,708

2023				
Assets Measured at Fair Value				
<u>Assets measured at fair value</u>	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 188,724	\$ —	\$ 188,724
Stocks	400,634	—	—	400,634
Total assets measured at fair value	\$ 400,634	\$ 188,724	\$ —	\$ 589,358

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Balanced Fund (BG) SF552

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	5,386,146	5,451,335	4,939,779	3,600,465	1,888,135	69,799	64,188	54,950	41,752	19,876
75/100 guarantee policy	24,466,807	24,089,404	20,914,351	14,751,534	7,200,584	313,443	281,039	231,028	170,251	75,605
100/100 guarantee policy	334,145	375,686	388,775	316,769	151,312	4,246	4,355	4,274	3,644	1,586
PS1 75/75 guarantee policy	3,819,885	3,330,026	2,886,868	1,746,882	804,071	50,408	39,787	32,471	20,411	8,498
PS1 75/100 guarantee policy	12,235,836	11,373,982	9,133,416	7,890,737	2,623,094	160,080	134,955	102,192	91,866	27,670
PS1 100/100 guarantee policy	305,294	268,088	200,814	142,152	50,012	3,949	3,152	2,231	1,647	526
PS2 75/75 guarantee policy	409,955	311,494	350,412	344,828	274,643	6,103	4,101	4,242	4,236	2,981
PS2 75/100 guarantee policy	1,640,961	1,762,884	1,762,044	1,435,355	699,232	24,429	23,207	21,331	17,632	7,590
PS 75/75 guarantee policy	317,140	308,796	269,469	177,298	100,874	4,353	3,808	3,105	2,106	1,075
PS 75/100 guarantee policy	2,403,822	2,268,857	1,909,066	1,415,521	463,030	32,615	27,720	21,839	16,731	4,924
PPS 75/75 guarantee policy	840,151	695,651	512,041	352,276	108,855	11,742	8,704	5,965	4,215	1,165
PPS 75/100 guarantee policy	648,976	608,554	700,343	409,428	226,700	8,992	7,562	8,115	4,882	2,422
PPS 100/100 guarantee policy	382	384	898	—	—	5	5	10	—	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.96	11.77	11.12	11.60	10.53	1.19	0.65
75/100 guarantee policy	12.81	11.67	11.05	11.54	10.50	1.14	0.62
100/100 guarantee policy	12.71	11.59	10.99	11.50	10.48	1.12	0.60
PS1 75/75 guarantee policy	13.20	11.95	11.25	11.68	10.57	1.25	0.70
PS1 75/100 guarantee policy	13.08	11.87	11.19	11.64	10.55	1.21	0.68
PS1 100/100 guarantee policy	12.93	11.76	11.11	11.59	10.52	1.17	0.65
PS2 75/75 guarantee policy	14.89	13.16	12.11	12.28	10.85	1.73	1.05
PS2 75/100 guarantee policy	14.89	13.16	12.11	12.28	10.85	1.73	1.05
PS 75/75 guarantee policy	13.73	12.33	11.52	11.88	10.66	1.40	0.81
PS 75/100 guarantee policy	13.57	12.22	11.44	11.82	10.63	1.35	0.78
PPS 75/75 guarantee policy	13.98	12.51	11.65	11.97	10.70	1.47	0.86
PPS 75/100 guarantee policy	13.86	12.43	11.59	11.92	10.68	1.43	0.84
PPS 100/100 guarantee policy	13.70	12.31	11.50	—	—	1.39	0.81

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Balanced Fund (BG) SF552

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Balanced Fund (BG) SF552

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.72	2.70	2.69	2.68	2.64
75/100 guarantee policy	2.94	2.92	2.91	2.91	2.85
100/100 guarantee policy	3.10	3.08	3.07	3.06	3.01
PS1 75/75 guarantee policy	2.36	2.34	2.33	2.33	2.29
PS1 75/100 guarantee policy	2.53	2.51	2.51	2.49	2.45
PS1 100/100 guarantee policy	2.76	2.73	2.73	2.74	2.68
PS 75/75 guarantee policy	1.59	1.58	1.57	1.57	1.55
PS 75/100 guarantee policy	1.82	1.80	1.80	1.79	1.76
PPS 75/75 guarantee policy	1.24	1.23	1.22	1.22	1.20
PPS 75/100 guarantee policy	1.41	1.40	1.39	1.39	1.36
PPS 100/100 guarantee policy	1.61	1.60	1.61	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	51.60	40.10	47.03	63.21	94.47

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN EQUITY FUND (BG) SF553

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Equity Fund (BG) SF553 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Equity Fund (BG) SF553

(in Canadian \$ thousands)

Fund Manager: Beutel, Goodman & Company Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 8,235	\$ 4,235
Investment income due and accrued	466	388
Due from The Canada Life Assurance Company (note 7)	1,245	50
Due from brokers	339	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	308,904	237,532
Investment fund units	—	—
Total investments	308,904	237,532
Total assets	\$ 319,189	\$ 242,205
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	5	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	—
Net assets attributable to contractholders	\$ 319,184	\$ 242,205

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 41,204	\$ 20,283
Miscellaneous income (loss)	26	14
Total income (loss)	41,230	20,297
Expenses		
Management fees (note 7)	6,086	4,802
Transaction costs	77	26
Withholding taxes	223	199
Other	731	575
Total expenses	7,117	5,602
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 34,113	\$ 14,695

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 242,205	\$ 197,131
Contractholder deposits	69,477	54,238
Contractholder withdrawals	(26,611)	(23,859)
Increase (decrease) in net assets from operations attributable to contractholders	34,113	14,695
Change in net assets attributable to contractholders	76,979	45,074
Net assets attributable to contractholders - end of year	\$ 319,184	\$ 242,205

Canadian Equity Fund (BG) SF553

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 34,113	\$ 14,695
Adjustments		
Realized (gains) losses	(14,518)	(1,070)
Unrealized (gains) losses	(18,663)	(12,461)
Gross proceeds of disposition of investments	72,294	21,635
Gross payments for the purchase of investments	(110,485)	(53,304)
Change in investment income due and accrued	(78)	(46)
Change in due from/to The Canada Life Assurance Company	(1,195)	162
Change in due from/to brokers	(334)	(2,445)
Change in due from/to outside parties	—	—
	(38,866)	(32,834)
Financing Activities		
Contractholder deposits	69,477	54,238
Contractholder withdrawals	(26,611)	(23,859)
	42,866	30,379
Net increase (decrease) in cash, short-term deposits and overdrafts	4,000	(2,455)
Cash, short-term deposits and overdrafts, beginning of year	4,235	6,690
Cash, short-term deposits and overdrafts, end of year	\$ 8,235	\$ 4,235
Supplementary cash flow information		
Dividend income received	\$ 7,630	\$ 6,495

Canadian Equity Fund (BG) SF553

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Quebecor Media Inc. Class B sub. voting	91,185	2,750	2,872
Rogers Communications Inc. Class B non-voting	159,930	9,412	7,067
Consumer Discretionary			
BRP Inc.	46,685	4,544	3,418
Magna International Inc.	107,710	8,523	6,471
Restaurant Brands International Inc.	74,100	6,477	6,942
Consumer Staples			
Alimentation Couche-Tard Inc.	102,065	6,729	8,137
George Weston Ltd.	15,135	2,221	3,383
Loblaw Companies Ltd.	15,255	1,896	2,886
Metro Inc.	97,955	6,805	8,831
Saputo Inc.	76,230	2,453	1,905
Energy			
Suncor Energy Inc.	120,515	4,751	6,184
TC Energy Corp.	91,190	4,963	6,109
Tourmaline Oil Corp.	69,140	4,273	4,599
Financials			
Bank of Montreal	90,125	11,310	12,577
Brookfield Asset Management Inc. Class A	37,605	1,778	2,932
Brookfield Corp.	81,615	4,371	6,743
Manulife Financial Corp.	172,140	4,583	7,602
Royal Bank of Canada	98,425	12,862	17,059
Sun Life Financial Inc.	69,615	4,526	5,942
The Bank of Nova Scotia	85,595	5,848	6,607
The Toronto-Dominion Bank	223,615	18,247	17,113
Industrials			
ATS Corp.	78,860	3,356	3,457
Boyd Group Services Inc.	16,330	3,551	3,540
CAE Inc.	167,320	5,003	6,107

Canadian Equity Fund (BG) SF553

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials (continued)			
Canadian National Railway Co.	56,130	8,528	8,193
Canadian Pacific Kansas City Ltd.	66,785	6,535	6,951
GFL Environmental Inc.	89,840	4,891	5,757
RB Global Inc.	83,315	6,933	10,809
Information Technology			
CGI Group Inc. Class A sub. voting	47,925	6,324	7,538
Open Text Corp.	104,780	5,364	4,262
Materials			
CCL Industries Inc. Class B non-voting	70,835	4,411	5,238
Franco-Nevada Corp.	24,345	3,864	4,112
Nutrien Ltd.	79,895	6,402	5,139
Real Estate			
Colliers International Group Inc.	20,810	3,113	4,068
Utilities			
Fortis Inc.	111,945	6,303	6,686
Total Canadian Common Stock		203,900	227,236
United States Common Stock			
Communication Services			
Comcast Corp. Class A	68,205	3,847	3,680
Omnicom Group Inc.	22,040	2,271	2,727
The Interpublic Group of Companies Inc.	61,445	2,641	2,475
Consumer Discretionary			
eBay Inc.	44,485	3,137	3,962
Gentex Corp.	41,920	1,719	1,732
Harley-Davidson Inc.	52,180	2,556	2,261
Polaris Inc.	17,555	2,462	1,454
Tempur Sealy International Inc.	14,265	592	1,163

Canadian Equity Fund (BG) SF553

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Consumer Staples			
Kellanova	9,740	764	1,134
Kimberly-Clark Corp.	19,005	3,278	3,581
The Campbell's Company	45,120	2,760	2,717
Financials			
American Express Co.	9,230	2,068	3,939
Ameriprise Financial Inc.	3,335	1,321	2,553
BlackRock Inc.	1,530	1,395	2,255
SEI Investments Co.	18,640	1,481	2,211
The Carlyle Group Inc.	19,450	901	1,412
Health Care			
Amgen Inc.	8,060	2,683	3,021
Biogen Inc.	11,455	3,561	2,519
Cencora Inc.	3,090	615	998
Merck & Co. Inc.	27,620	3,741	3,951
Industrials			
Cummins Inc.	4,195	1,289	2,103
Flowserve Corp.	18,065	861	1,494
Masco Corp.	18,695	1,338	1,951
Wabtec Corp.	7,520	988	2,050
Information Technology			
Gen Digital Inc.	107,055	3,289	4,214
NetApp Inc.	20,080	2,033	3,351
Qualcomm Inc.	15,435	2,828	3,409
Materials			
PPG Industries Inc.	20,705	3,713	3,556
Total United States Common Stock		60,132	71,873

Canadian Equity Fund (BG) SF553

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock			
Guernsey			
Amdocs Ltd.	31,035	3,330	3,799
Ireland			
Medtronic Co. PLC	29,380	3,660	3,374
Switzerland			
Chubb Ltd.	6,600	2,637	2,622
Total Global Common Stock		9,627	9,795
Total Stocks		273,659	308,904
Transaction Costs (note 2)		(84)	
Total Investments		273,575	308,904

Canadian Equity Fund (BG) SF553

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Canadian Equity Fund (BG) SF553 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Canadian Equity Fund (BG) SF553

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 81,667	\$ 30	\$ 81,697	\$	817
Total	\$ 81,667	\$ 30	\$ 81,697	\$	817
As Percent of Net Assets Attributable to Contractholders				25.6%	0.3%
<i>*Includes both monetary and non-monetary instruments</i>					

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 63,357	\$ 47	\$ 63,404	\$	634
Total	\$ 63,357	\$ 47	\$ 63,404	\$	634
As Percent of Net Assets Attributable to Contractholders				26.2%	0.3%
<i>*Includes both monetary and non-monetary instruments</i>					

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$3,089 (\$2,375 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Canadian Equity Fund (BG) SF553

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 308,904	\$ —	\$ —	\$ 308,904
Total assets measured at fair value		\$ 308,904	\$ —	\$ —	\$ 308,904

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks		\$ 237,532	\$ —	\$ —	\$ 237,532
Total assets measured at fair value		\$ 237,532	\$ —	\$ —	\$ 237,532

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Canadian Equity Fund (BG) SF553

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	2,522,825	2,397,433	2,183,981	1,282,657	517,693	36,339	30,587	26,200	15,527	5,260
75/100 guarantee policy	5,726,305	5,329,186	4,567,391	2,558,303	825,893	81,587	67,399	54,430	30,830	8,371
100/100 guarantee policy	126,198	172,946	120,706	57,909	21,743	1,763	2,153	1,421	692	219
PS1 75/75 guarantee policy	2,789,388	1,873,262	1,420,602	1,014,218	293,368	41,031	24,307	17,262	12,385	2,994
PS1 75/100 guarantee policy	7,190,705	6,023,173	4,730,315	2,482,206	656,270	104,566	77,437	57,078	30,168	6,682
PS1 100/100 guarantee policy	120,262	65,658	71,221	53,677	380	1,719	833	850	648	4
PS2 75/75 guarantee policy	466,523	451,111	811,683	435,337	188,395	7,763	6,464	10,633	5,596	1,976
PS2 75/100 guarantee policy	872,239	736,936	712,965	486,896	216,536	14,515	10,559	9,339	6,258	2,271
PS2 100/100 guarantee policy	14,748	11,218	—	—	—	245	161	—	—	—
PS 75/75 guarantee policy	232,873	227,595	215,424	153,090	45,098	3,553	3,041	2,676	1,898	464
PS 75/100 guarantee policy	338,654	291,882	254,488	163,484	56,381	5,110	3,866	3,141	2,018	579
PS 100/100 guarantee policy	2,282	1,556	1,565	1,573	—	34	20	19	19	—
PPS 75/75 guarantee policy	577,783	484,637	479,969	348,887	70,674	9,001	6,585	6,040	4,363	731
PPS 75/100 guarantee policy	756,695	633,278	623,416	399,650	60,130	11,654	8,526	7,790	4,974	620
PPS 100/100 guarantee policy	20,058	20,133	20,384	9,194	354	304	267	252	114	4

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.40	12.76	12.00	12.11	10.16	1.64	0.76
75/100 guarantee policy	14.25	12.65	11.92	12.05	10.14	1.60	0.73
100/100 guarantee policy	13.97	12.45	11.78	11.95	10.09	1.52	0.67
PS1 75/75 guarantee policy	14.71	12.98	12.15	12.21	10.21	1.73	0.83
PS1 75/100 guarantee policy	14.54	12.86	12.07	12.15	10.18	1.68	0.79
PS1 100/100 guarantee policy	14.30	12.68	11.94	12.07	10.14	1.62	0.74
PS2 75/75 guarantee policy	16.64	14.33	13.10	12.85	10.49	2.31	1.23
PS2 75/100 guarantee policy	16.64	14.33	13.10	12.85	10.49	2.31	1.23
PS2 100/100 guarantee policy	16.64	14.33	—	—	—	2.31	1.23
PS 75/75 guarantee policy	15.25	13.36	12.42	12.40	10.29	1.89	0.94
PS 75/100 guarantee policy	15.09	13.24	12.34	12.34	10.26	1.85	0.90
PS 100/100 guarantee policy	14.80	13.04	12.19	12.24	—	1.76	0.85
PPS 75/75 guarantee policy	15.58	13.59	12.58	12.51	10.34	1.99	1.01
PPS 75/100 guarantee policy	15.40	13.46	12.50	12.45	10.31	1.94	0.96
PPS 100/100 guarantee policy	15.14	13.28	12.37	12.36	10.27	1.86	0.91

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Canadian Equity Fund (BG) SF553

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canadian Equity Fund (BG) SF553

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.81	2.79	2.79	2.75
75/100 guarantee policy	3.05	3.02	3.02	3.02	2.95
100/100 guarantee policy	3.43	3.40	3.40	3.40	3.34
PS1 75/75 guarantee policy	2.42	2.40	2.39	2.40	2.35
PS1 75/100 guarantee policy	2.65	2.62	2.62	2.62	2.56
PS1 100/100 guarantee policy	2.98	2.96	2.94	2.96	2.91
PS 75/75 guarantee policy	1.71	1.69	1.68	1.68	1.65
PS 75/100 guarantee policy	1.92	1.90	1.89	1.89	1.86
PS 100/100 guarantee policy	2.30	2.28	2.28	2.28	—
PPS 75/75 guarantee policy	1.30	1.28	1.28	1.27	1.26
PPS 75/100 guarantee policy	1.52	1.51	1.50	1.49	1.47
PPS 100/100 guarantee policy	1.86	1.84	1.82	1.84	1.81

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	26.69	10.08	22.72	22.45	27.09

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADIAN LOW VOL EQUITY FUND (LC) SF554

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canadian Low Vol Equity Fund (LC) SF554 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canadian Low Vol Equity Fund (LC) SF554

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 281	\$ 206
Investment income due and accrued	36	21
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	26
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	15,779	9,318
Investment fund units	—	—
Total investments	15,779	9,318
Total assets	\$ 16,096	\$ 9,571
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	12
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	12
Net assets attributable to contractholders	\$ 16,096	\$ 9,559

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,464	\$ 1,570
Miscellaneous income (loss)	6	4
Total income (loss)	2,470	1,574
Expenses		
Management fees (note 7)	266	206
Transaction costs	13	21
Withholding taxes	—	—
Other	30	23
Total expenses	309	250
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,161	\$ 1,324

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 9,559	\$ 19,828
Contractholder deposits	5,589	2,894
Contractholder withdrawals	(1,213)	(14,487)
Increase (decrease) in net assets from operations attributable to contractholders	2,161	1,324
Change in net assets attributable to contractholders	6,537	(10,269)
Net assets attributable to contractholders - end of year	\$ 16,096	\$ 9,559

Canadian Low Vol Equity Fund (LC) SF554

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,161	\$ 1,324
Adjustments		
Realized (gains) losses	(672)	(1,021)
Unrealized (gains) losses	(1,439)	(133)
Gross proceeds of disposition of investments	6,981	22,006
Gross payments for the purchase of investments	(11,331)	(10,413)
Change in investment income due and accrued	(15)	31
Change in due from/to The Canada Life Assurance Company	—	12
Change in due from/to brokers	14	(55)
Change in due from/to outside parties	—	—
	(4,301)	11,751
Financing Activities		
Contractholder deposits	5,589	2,894
Contractholder withdrawals	(1,213)	(14,487)
	4,376	(11,593)
Net increase (decrease) in cash, short-term deposits and overdrafts	75	158
Cash, short-term deposits and overdrafts, beginning of year	206	48
Cash, short-term deposits and overdrafts, end of year	\$ 281	\$ 206
Supplementary cash flow information		
Dividend income received	\$ 329	\$ 443

Canadian Low Vol Equity Fund (LC) SF554

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
BCE Inc.	5,835	333	194
Cogeco Inc.	138	9	8
Corus Entertainment Inc. Class B non-voting	9,596	2	1
Rogers Communications Inc. Class B non-voting	2,534	139	112
TELUS Corp.	16,902	412	329
TELUS International Inc.	1,947	11	11
Consumer Discretionary			
Dollarama Inc.	1,640	159	230
Gildan Activewear Inc.	4,231	268	286
Restaurant Brands International Inc.	1,198	110	112
Consumer Staples			
Alimentation Couche-Tard Inc.	2,765	217	220
Empire Co. Ltd. Class A non-voting	1,172	45	51
George Weston Ltd.	1,151	205	257
Loblaw Companies Ltd.	2,064	238	390
Metro Inc.	4,738	344	427
Saputo Inc.	2,211	60	55
Energy			
Canadian Natural Resources Ltd.	1,010	48	45
CES Energy Solutions Corp.	17,790	130	176
Enbridge Inc.	7,207	377	440
Enerflex Ltd.	6,564	56	94
Hydro One Ltd.	8,013	282	355
Imperial Oil Ltd.	1,825	144	162
Keyera Corp.	8,207	334	361
Pembina Pipeline Corp.	7,221	378	384
Secure Waste Infrastructure Corp.	12,588	134	205
Suncor Energy Inc.	2,292	118	118
TC Energy Corp.	2,880	159	193

Canadian Low Vol Equity Fund (LC) SF554

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Financials			
AGF Management Ltd. Class B non-voting	1,956	21	21
Bank of Montreal	2,322	286	324
Canadian Imperial Bank of Commerce	4,338	327	394
Fairfax Financial Holdings Ltd. sub. voting	157	137	314
Intact Financial Corp.	1,900	388	498
Manulife Financial Corp.	9,706	270	429
National Bank of Canada	2,948	336	386
Royal Bank of Canada	2,936	425	510
Sun Life Financial Inc.	7,367	516	630
The Bank of Nova Scotia	5,851	405	453
The Toronto-Dominion Bank	5,029	429	385
Thomson Reuters Corp.	1,747	299	403
TMX Group Ltd.	8,523	278	377
Health Care			
Extendicare Inc.	3,312	32	35
Sienna Senior Living Inc.	6,344	98	99
Well Health Technologies Corp.	10,307	72	71
Industrials			
Aecon Group Inc.	5,649	118	154
AtkinsRealis Group Inc.	3,579	187	273
Bird Construction Inc.	2,613	64	68
Canadian National Railway Co.	2,649	406	387
Canadian Pacific Kansas City Ltd.	3,419	361	356
Cargojet Inc.	1,459	191	157
Chorus Aviation Inc.	6,113	20	19
Doman Building Materials Group Ltd.	4,687	44	40
Exchange Income Corp.	182	10	11
GFL Environmental Inc.	512	33	33
RB Global Inc.	257	28	33
Stantec Inc.	224	22	25
TFI International Inc.	120	25	23
Toromont Industries Ltd.	572	61	65

Canadian Low Vol Equity Fund (LC) SF554

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials (continued)			
Transcontinental Inc. Class A sub. voting	3,858	67	72
WSP Global Inc.	377	81	95
Information Technology			
Celestica Inc.	1,630	153	216
CGI Group Inc. Class A sub. voting	2,439	320	384
Constellation Software Inc.	65	194	289
Constellation Software Inc. Warrant 08-22-2028	85	-	-
Lightspeed Commerce Inc.	1,427	33	31
The Descartes Systems Group Inc.	1,023	124	167
Materials			
ADF Group Inc.	1,828	20	18
Agnico Eagle Mines Ltd.	1,967	188	221
Algoma Steel Group Inc.	1,199	17	17
Barrick Gold Corp.	5,655	140	126
CCL Industries Inc. Class B non-voting	561	37	41
Centerra Gold Inc.	11,833	108	97
Chemtrade Logistics Income Fund	7,158	77	78
Eldorado Gold Corp.	3,905	89	83
Fortuna Mining Corp.	26,767	178	165
Franco-Nevada Corp.	1,022	176	173
IAMGOLD Corp.	14,178	87	105
New Gold Inc.	17,124	37	61
Nutrien Ltd.	664	43	43
Pan American Silver Corp.	2,100	59	61
Victoria Gold Corp.	7,415	6	-
Wesdome Gold Mines Ltd.	345	4	4
West Fraser Timber Co. Ltd.	406	56	51
Wheaton Precious Metals Corp.	1,091	74	88
Real Estate			
Chartwell Retirement Residences REIT	11,074	148	167
FirstService Corp.	528	124	137

Canadian Low Vol Equity Fund (LC) SF554

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Utilities			
Canadian Utilities Ltd. Class A non-voting	2,820	104	98
Emera Inc.	2,025	108	109
Fortis Inc.	6,584	379	393
Total Canadian Common Stock		13,832	15,779
Total Stocks		13,832	15,779
Transaction Costs (note 2)		(9)	
Total Investments		13,823	15,779

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Canadian Low Vol Equity Fund (LC) SF554 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 109	\$ 109	\$ 1
Total	\$ —	\$ 109	\$ 109	\$ 1
As Percent of Net Assets Attributable to Contractholders				0.7%
				—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ —	\$ 18	\$ 18	\$ —
Total	\$ —	\$ 18	\$ 18	\$ —
As Percent of Net Assets Attributable to Contractholders				0.2%
				—%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$158 (\$93 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 15,779	\$ —	\$ —	\$ 15,779
Total assets measured at fair value	\$ 15,779	\$ —	\$ —	\$ 15,779

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 9,318	\$ —	\$ —	\$ 9,318
Total assets measured at fair value	\$ 9,318	\$ —	\$ —	\$ 9,318

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Canadian Low Vol Equity Fund (LC) SF554

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	109,290	96,093	97,706	37,040	217,115	1,552	1,126	1,089	430	2,093
75/100 guarantee policy	342,534	276,239	227,895	152,331	100,018	4,809	3,206	2,522	1,762	962
100/100 guarantee policy	12,313	12,778	15,108	6,002	3,818	170	146	165	69	37
PS1 75/75 guarantee policy	108,933	79,108	76,791	51,822	4,074	1,584	945	868	608	39
PS1 75/100 guarantee policy	411,830	292,647	198,845	59,495	25,956	5,921	3,462	2,233	695	251
PS1 100/100 guarantee policy	98,224	15,549	17,426	13,456	—	1,388	182	194	156	—
PS2 75/75 guarantee policy	5,327	407	257	—	—	87	5	3	—	—
PS2 75/100 guarantee policy	14,488	14,390	14,076	3,890	3,375	236	188	171	48	34
PS2 100/100 guarantee policy	—	—	—	—	68,384	—	—	—	—	680
PS 75/75 guarantee policy	71	604	1,557	—	3,231	1	7	18	—	32
PS 75/100 guarantee policy	9,766	9,597	12,329	9,175	10,162	145	117	141	109	99
PPS 75/75 guarantee policy	2,632	—	—	—	—	41	—	—	—	—
PPS 75/100 guarantee policy	10,596	14,094	12,626	1,842	1,853	162	175	147	22	18

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.20	11.71	11.15	11.62	9.64	2.49	0.56
75/100 guarantee policy	14.04	11.61	11.07	11.57	9.61	2.43	0.54
100/100 guarantee policy	13.80	11.45	10.95	11.48	9.58	2.35	0.50
PS1 75/75 guarantee policy	14.54	11.94	11.31	11.74	9.69	2.60	0.63
PS1 75/100 guarantee policy	14.38	11.83	11.23	11.68	9.66	2.55	0.60
PS1 100/100 guarantee policy	14.13	11.67	11.11	11.60	—	2.46	0.56
PS2 75/75 guarantee policy	16.31	13.09	12.13	—	—	3.22	0.96
PS2 75/100 guarantee policy	16.31	13.10	12.13	12.31	9.94	3.21	0.97
PS2 100/100 guarantee policy	—	—	—	—	9.94	—	—
PS 75/75 guarantee policy	15.07	12.27	11.54	—	9.76	2.80	0.73
PS 75/100 guarantee policy	14.87	12.15	11.46	11.85	9.74	2.72	0.69
PPS 75/75 guarantee policy	15.40	—	—	—	—	2.90	—
PPS 75/100 guarantee policy	15.23	12.39	11.63	11.96	9.79	2.84	0.76

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Canadian Low Vol Equity Fund (LC) SF554

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Canadian Low Vol Equity Fund (LC) SF554

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.71	2.68	2.69	2.73	2.65
75/100 guarantee policy	2.93	2.90	2.90	2.93	2.85
100/100 guarantee policy	3.27	3.24	3.25	3.27	3.20
PS1 75/75 guarantee policy	2.24	2.22	2.22	2.25	2.18
PS1 75/100 guarantee policy	2.46	2.44	2.45	2.46	2.40
PS1 100/100 guarantee policy	2.80	2.78	2.77	2.81	—
PS 75/75 guarantee policy	1.58	1.57	1.58	—	1.54
PS 75/100 guarantee policy	1.81	1.79	1.79	1.82	1.76
PPS 75/100 guarantee policy	1.34	1.33	1.32	1.35	1.32

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	59.69	81.13	104.59	181.70	48.26

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL EQUITY FUND (JPM) SF555

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Equity Fund (JPM) SF555 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Equity Fund (JPM) SF555

(in Canadian \$ thousands)

Fund Manager: J.P. Morgan Asset Management

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 353	\$ 356
Investment income due and accrued	6	8
Due from The Canada Life Assurance Company (note 7)	—	39
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	15,753	13,187
Investment fund units	—	—
Total investments	15,753	13,187
Total assets	\$ 16,112	\$ 13,590
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	31	—
Due to brokers	—	1
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	31	1
Net assets attributable to contractholders	\$ 16,081	\$ 13,589

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,494	\$ 1,810
Miscellaneous income (loss)	4	5
Total income (loss)	1,498	1,815
Expenses		
Management fees (note 7)	357	288
Transaction costs	15	13
Withholding taxes	38	45
Other	42	34
Total expenses	452	380
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,046	\$ 1,435

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 13,589	\$ 11,024
Contractholder deposits	3,479	2,718
Contractholder withdrawals	(2,033)	(1,588)
Increase (decrease) in net assets from operations attributable to contractholders	1,046	1,435
Change in net assets attributable to contractholders	2,492	2,565
Net assets attributable to contractholders - end of year	\$ 16,081	\$ 13,589

International Equity Fund (JPM) SF555

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,046	\$ 1,435
Adjustments		
Realized (gains) losses	(156)	(20)
Unrealized (gains) losses	(929)	(1,427)
Gross proceeds of disposition of investments	5,581	4,499
Gross payments for the purchase of investments	(7,062)	(5,462)
Change in investment income due and accrued	2	(4)
Change in due from/to The Canada Life Assurance Company	70	(6)
Change in due from/to brokers	(1)	1
Change in due from/to outside parties	—	—
	(1,449)	(984)
Financing Activities		
Contractholder deposits	3,479	2,718
Contractholder withdrawals	(2,033)	(1,588)
	1,446	1,130
Net increase (decrease) in cash, short-term deposits and overdrafts	(3)	146
Cash, short-term deposits and overdrafts, beginning of year	356	210
Cash, short-term deposits and overdrafts, end of year	\$ 353	\$ 356
Supplementary cash flow information		
Dividend income received	\$ 400	\$ 348

International Equity Fund (JPM) SF555

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock			
Australia			
BHP Group Ltd.	5,671	227	200
Goodman Group REIT	2,837	63	90
Medibank Private Ltd.	20,151	70	68
QBE Insurance Group Ltd.	4,523	83	77
Rio Tinto Ltd.	731	79	76
Telstra Group Ltd.	25,365	92	91
Austria			
Erste Group Bank AG	2,189	114	194
Belgium			
KBC Group NV	1,915	183	213
Denmark			
Carlsberg AS	967	186	133
Novo Nordisk AS	2,867	242	355
Finland			
Nordea Bank ABP	14,290	233	223
France			
Air Liquide SA	1,089	222	254
Capgemini SA	448	97	106
Compagnie Generale des Etablissements Michelin	2,908	145	138
Dassault Systemes SE	1,119	73	56
Legrand SA	1,644	228	230
LVMH Moet Hennessy Louis Vuitton	289	265	274
Safran SA	808	169	255
Sanofi SA	1,715	243	239
Schneider Electric SE	179	66	64
TotalEnergies SE	2,073	145	165
Vinci SA	1,633	242	243

International Equity Fund (JPM) SF555

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Germany			
Allianz SE	446	141	196
Deutsche Boerse AG	723	160	240
Deutsche Telekom AG	9,821	356	422
Muenchener Rueckversicherungs-Gesellschaft AG	351	151	254
SAP SE	1,001	285	352
Hong Kong			
AIA Group Ltd.	15,200	214	158
Hong Kong Exchanges and Clearing Ltd.	1,700	99	93
Techtronic Industries Co. Ltd.	5,000	87	95
Italy			
UniCredit SPA	5,081	159	292
Japan			
Hitachi Ltd.	7,400	150	262
Hoya Corp.	1,200	186	214
ITOCHU Corp.	4,700	291	333
Keyence Corp.	400	241	234
Mitsubishi UFJ Financial Group Inc.	16,400	183	277
Mitsui Fudosan Co. Ltd.	13,000	161	149
Nippon Telegraph & Telephone Corp.	71,700	107	103
Recruit Holdings Co. Ltd.	1,900	104	190
Shimano Inc.	500	107	97
Shin-Etsu Chemical Co. Ltd.	5,500	226	262
Sony Group Corp.	16,100	387	488
Suzuki Motor Corp.	8,400	133	137
Terumo Corp.	9,000	202	249
Tokio Marine Holdings Inc.	4,400	131	227
Netherlands			
Airbus SE	759	138	174
ASML Holding NV	427	335	431
Heineken NV	645	85	66

International Equity Fund (JPM) SF555

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Netherlands (continued)			
Koninklijke Ahold Delhaize NV	3,762	182	176
Koninklijke KPN NV	43,690	215	229
Singapore			
DBS Group Holdings Ltd.	7,650	203	352
South Korea			
Samsung Electronics Co. Ltd. GDR	77	139	101
Spain			
Banco Santander SA	26,329	188	175
Iberdrola SA	12,628	257	250
Industria de Diseno Textil SA	3,150	159	233
Sweden			
Atlas Copco AB Class A	7,719	133	170
Volvo AB Series B	8,495	248	296
Switzerland			
Compagnie Financiere Richemont SA	888	188	194
Lonza Group AG	234	205	198
Nestle SA	2,457	369	290
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	899	117	255
United Kingdom			
3i Group PLC	6,006	184	384
AstraZeneca PLC	1,948	347	367
Compass Group PLC	3,524	161	169
Diageo PLC	4,936	248	225
InterContinental Hotels Group PLC	1,403	153	251
London Stock Exchange Group PLC	1,210	163	246
NatWest Group PLC	27,048	188	196

International Equity Fund (JPM) SF555

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
United Kingdom (continued)			
Next PLC	1,163	160	199
RELX PLC	5,120	207	333
Rio Tinto PLC	1,670	151	142
Shell PLC	8,203	303	366
SSE PLC	5,878	190	170
The Sage Group PLC	2,043	48	47
Total Global Common Stock		13,392	15,753
Total Stocks		13,392	15,753
Transaction Costs (note 2)		(25)	
Total Investments		13,367	15,753

International Equity Fund (JPM) SF555

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the International Equity Fund (JPM) SF555 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

International Equity Fund (JPM) SF555

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 6,477	\$ —	\$ 6,477	\$ 65
Japanese Yen	3,222	—	3,222	32
United Kingdom Pound Sterling	2,762	—	2,762	28
Other Currencies	3,292	1	3,293	33
Total	\$ 15,753	\$ 1	\$ 15,754	\$ 158
As Percent of Net Assets Attributable to Contractholders				98.0%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 4,691	\$ 2	\$ 4,693	\$ 47
Japanese Yen	2,903	3	2,906	29
United Kingdom Pound Sterling	2,269	—	2,269	23
Swiss Franc	785	—	785	8
Other Currencies	2,539	(8)	2,531	25
Total	\$ 13,187	\$ (3)	\$ 13,184	\$ 132
As Percent of Net Assets Attributable to Contractholders				97.0%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$158 (\$132 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

International Equity Fund (JPM) SF555

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
<u>Assets measured at fair value</u>	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 8,722	\$ 7,031	\$ —	\$ 15,753
Total assets measured at fair value	\$ 8,722	\$ 7,031	\$ —	\$ 15,753

2023				
<u>Assets measured at fair value</u>	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 13,187	\$ —	\$ —	\$ 13,187
Total assets measured at fair value	\$ 13,187	\$ —	\$ —	\$ 13,187

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

International Equity Fund (JPM) SF555

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	182,215	182,273	163,229	139,927	595,767	2,153	2,003	1,597	1,648	6,482
75/100 guarantee policy	371,252	329,061	253,689	231,498	111,499	4,335	3,583	2,465	2,713	1,210
100/100 guarantee policy	57,215	77,668	54,456	41,740	8,609	654	831	522	485	93
PS1 75/75 guarantee policy	243,115	216,710	195,679	174,851	49,694	2,933	2,423	1,940	2,077	543
PS1 75/100 guarantee policy	321,004	214,268	299,749	196,497	80,272	3,806	2,362	2,940	2,318	874
PS1 100/100 guarantee policy	9,520	16,255	14,632	16,896	278	110	176	142	197	3
PS2 75/75 guarantee policy	11,777	13,411	13,748	12,499	1,180	162	166	147	157	13
PS2 75/100 guarantee policy	33,502	63,811	55,797	90,267	10,177	460	792	599	1,132	114
PS2 100/100 guarantee policy	35,254	31,781	—	—	—	484	394	—	—	—
PS 75/75 guarantee policy	7,439	7,349	8,240	6,309	3,014	93	85	84	76	33
PS 75/100 guarantee policy	14,511	11,753	12,519	60,281	3,164	179	134	126	724	35
PPS 75/75 guarantee policy	28,832	38,909	28,825	25,903	11,856	368	456	296	315	131
PPS 75/100 guarantee policy	20,675	15,906	16,373	26,642	11,762	260	184	166	322	130
75/75 Constellation	5,669	—	—	—	—	68	—	—	—	—
75/100 Constellation	1,299	—	—	—	—	16	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.81	10.99	9.79	11.78	10.88	0.82	1.20
75/100 guarantee policy	11.68	10.89	9.72	11.72	10.85	0.79	1.17
100/100 guarantee policy	11.43	10.70	9.59	11.62	10.80	0.73	1.11
PS1 75/75 guarantee policy	12.06	11.18	9.91	11.88	10.93	0.88	1.27
PS1 75/100 guarantee policy	11.86	11.02	9.81	11.80	10.89	0.84	1.21
PS1 100/100 guarantee policy	11.59	10.82	9.67	11.68	10.83	0.77	1.15
PS2 75/75 guarantee policy	13.73	12.40	10.73	12.54	11.25	1.33	1.67
PS2 75/100 guarantee policy	13.73	12.40	10.73	12.54	11.25	1.33	1.67
PS2 100/100 guarantee policy	13.73	12.41	—	—	—	1.32	1.68
PS 75/75 guarantee policy	12.51	11.51	10.14	12.06	11.02	1.00	1.37
PS 75/100 guarantee policy	12.37	11.40	10.06	12.00	10.99	0.97	1.34
PPS 75/75 guarantee policy	12.78	11.71	10.27	12.17	11.07	1.07	1.44
PPS 75/100 guarantee policy	12.56	11.55	10.16	12.08	11.03	1.01	1.39
75/75 Constellation	11.99	—	—	—	—	0.96	—
75/100 Constellation	11.94	—	—	—	—	0.91	—

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

International Equity Fund (JPM) SF555

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

International Equity Fund (JPM) SF555

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.94	2.91	2.92	2.96	2.87
75/100 guarantee policy	3.17	3.14	3.15	3.15	3.09
100/100 guarantee policy	3.59	3.56	3.57	3.60	3.50
PS1 75/75 guarantee policy	2.53	2.51	2.51	2.53	2.45
PS1 75/100 guarantee policy	2.87	2.84	2.84	2.85	2.80
PS1 100/100 guarantee policy	3.32	3.29	3.31	3.32	3.23
PS 75/75 guarantee policy	1.82	1.80	1.80	1.81	1.77
PS 75/100 guarantee policy	2.04	2.02	2.07	2.04	1.98
PPS 75/75 guarantee policy	1.41	1.39	1.40	1.40	1.36
PPS 75/100 guarantee policy	1.74	1.73	1.74	1.73	1.70
75/75 Constellation	1.86	—	—	—	—
75/100 Constellation	2.24	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	36.46	36.03	52.57	39.11	21.37

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INTERNATIONAL OPPORTUNITY FUND (JPM) SF556

December 31, 2024

Independent Auditor's Report

To the Contractholders of International Opportunity Fund (JPM) SF556 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

International Opportunity Fund (JPM) SF556

(in Canadian \$ thousands)

Fund Manager: J.P. Morgan Asset Management

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,883	\$ 1,709
Investment income due and accrued	59	60
Due from The Canada Life Assurance Company (note 7)	315	171
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	123,327	91,120
Investment fund units	—	—
Total investments	123,327	91,120
Total assets	\$ 125,584	\$ 93,060
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 125,584	\$ 93,060

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 13,775	\$ 12,894
Miscellaneous income (loss)	(66)	(10)
Total income (loss)	13,709	12,884
Expenses		
Management fees (note 7)	575	559
Transaction costs	92	90
Withholding taxes	167	210
Other	64	62
Total expenses	898	921
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 12,811	\$ 11,963

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 93,060	\$ 84,436
Contractholder deposits	30,887	6,330
Contractholder withdrawals	(11,174)	(9,669)
Increase (decrease) in net assets from operations attributable to contractholders	12,811	11,963
Change in net assets attributable to contractholders	32,524	8,624
Net assets attributable to contractholders - end of year	\$ 125,584	\$ 93,060

International Opportunity Fund (JPM) SF556

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 12,811	\$ 11,963
Adjustments		
Realized (gains) losses	(1,422)	2,737
Unrealized (gains) losses	(10,656)	(13,818)
Gross proceeds of disposition of investments	31,259	48,733
Gross payments for the purchase of investments	(51,388)	(44,565)
Change in investment income due and accrued	1	(44)
Change in due from/to The Canada Life Assurance Company	(144)	(712)
Change in due from/to brokers	—	89
Change in due from/to outside parties	—	—
	(19,539)	4,383
Financing Activities		
Contractholder deposits	30,887	6,330
Contractholder withdrawals	(11,174)	(9,669)
	19,713	(3,339)
Net increase (decrease) in cash, short-term deposits and overdrafts	174	1,044
Cash, short-term deposits and overdrafts, beginning of year	1,709	665
Cash, short-term deposits and overdrafts, end of year	\$ 1,883	\$ 1,709
Supplementary cash flow information		
Dividend income received	\$ 1,638	\$ 1,692

International Opportunity Fund (JPM) SF556

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Consumer Discretionary			
Yum China Holdings Inc.	23,097	1,570	1,600
Total United States Common Stock		1,570	1,600
Global Common Stock			
Australia			
Goodman Group REIT	35,374	877	1,122
QBE Insurance Group Ltd.	58,879	854	1,006
Cayman Islands			
Tencent Holdings Ltd.	16,700	1,189	1,289
Denmark			
Coloplast AS	3,908	720	615
Novo Nordisk AS	36,912	3,053	4,567
France			
Air Liquide SA	15,289	3,274	3,573
Dassault Systemes SE	26,142	1,576	1,304
Legrand SA	10,659	1,539	1,493
L'Oreal SA	915	439	466
LVMH Moet Hennessy Louis Vuitton	2,239	1,852	2,119
Safran SA	13,415	2,882	4,237
Sanofi SA	9,562	1,380	1,335
Schneider Electric SE	3,544	1,005	1,271
Vinci SA	8,278	1,169	1,230
Germany			
Deutsche Boerse AG	4,400	1,052	1,458
Muenchener Rueckversicherungs-Gesellschaft AG	2,237	1,403	1,618
SAP SE	9,162	2,461	3,224
Hong Kong			
Hong Kong Exchanges and Clearing Ltd.	27,700	1,615	1,511

International Opportunity Fund (JPM) SF556

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Ireland			
James Hardie Industries PLC	19,848	1,022	884
Linde PLC	3,486	1,386	2,093
Ryanair Holdings PLC ADR	20,373	1,279	1,277
Japan			
Advantest Corp.	14,600	827	1,199
Azbil Corp.	62,100	710	685
Daiichi Sankyo Co. Ltd.	15,200	714	601
Hamamatsu Photonics KK	26,800	495	428
Hitachi Ltd.	84,000	2,131	2,969
Hoya Corp.	13,900	2,202	2,484
IHI Corp.	5,100	396	428
Keyence Corp.	4,100	2,483	2,399
Otsuka Corp.	35,500	990	1,166
Rakuten Bank Ltd.	36,700	1,014	1,482
Recruit Holdings Co. Ltd.	40,100	2,230	4,012
Shin-Etsu Chemical Co. Ltd.	42,000	1,676	1,997
Sony Group Corp.	154,600	3,968	4,695
Terumo Corp.	61,000	1,399	1,688
Tokio Marine Holdings Inc.	39,500	1,352	2,034
Netherlands			
Adyen BV	409	926	867
Airbus SE	11,697	2,304	2,680
argenx SE	1,243	633	1,103
ASML Holding NV	5,381	4,096	5,440
Ferrovial SE	23,815	1,308	1,419
Heineken NV	13,817	1,762	1,410
Wolters Kluwer NV	5,381	797	1,283
Singapore			
DBS Group Holdings Ltd.	56,500	1,717	2,601

International Opportunity Fund (JPM) SF556

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Spain			
Indra Sistemas SA	20,348	516	518
Industria de Diseno Textil SA	29,072	1,572	2,149
Sweden			
Atlas Copco AB Class A	107,511	1,948	2,364
Volvo AB Series B	37,970	1,149	1,324
Switzerland			
Compagnie Financiere Richemont SA	12,977	2,661	2,837
Lonza Group AG	1,633	1,407	1,384
Nestle SA	18,061	2,614	2,130
Straumann Holding AG	4,496	800	814
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	6,343	1,013	1,801
United Kingdom			
3i Group PLC	48,380	1,752	3,103
AstraZeneca PLC	6,262	1,057	1,180
Compass Group PLC	37,846	1,724	1,813
Diageo PLC	43,150	1,990	1,971
Haleon PLC	120,921	848	821
InterContinental Hotels Group PLC	19,529	2,174	3,499
London Stock Exchange Group PLC	16,735	2,687	3,399
Next PLC	4,223	688	722
RELX PLC	59,533	2,482	3,876
SSE PLC	57,665	1,824	1,665

International Opportunity Fund (JPM) SF556

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
United Kingdom (continued)			
The Sage Group PLC	69,623	1,403	1,595
Total Global Common Stock		100,466	121,727
Total Stocks		102,036	123,327
Transaction Costs (note 2)		(156)	
Total Investments		101,880	123,327

International Opportunity Fund (JPM) SF556

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the International Opportunity Fund (JPM) SF556 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

International Opportunity Fund (JPM) SF556

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 46,167	\$ 1	\$ 46,168	\$ 462
Japanese Yen	28,265	—	28,265	283
United Kingdom Pound Sterling	19,768	—	19,768	197
Swiss Franc	7,164	—	7,164	71
Other Currencies	21,963	1	21,964	220
Total	\$ 123,327	\$ 2	\$ 123,329	\$ 1,233
As Percent of Net Assets Attributable to Contractholders				98.2%
				1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
Euro	\$ 35,627	\$ 9	\$ 35,636	\$ 356
Japanese Yen	18,083	—	18,083	181
United Kingdom Pound Sterling	12,321	—	12,321	123
Swiss Franc	7,547	—	7,547	76
Other Currencies	17,542	—	17,542	175
Total	\$ 91,120	\$ 9	\$ 91,129	\$ 911
As Percent of Net Assets Attributable to Contractholders				97.9%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1,233 (\$911 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

International Opportunity Fund (JPM) SF556

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 72,930	\$ 50,397	\$ —	\$ 123,327
Total assets measured at fair value	\$ 72,930	\$ 50,397	\$ —	\$ 123,327

<u>Assets measured at fair value</u>	2023			
	Assets and Liabilities Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 90,625	\$ 495	\$ —	\$ 91,120
Total assets measured at fair value	\$ 90,625	\$ 495	\$ —	\$ 91,120

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

International Opportunity Fund (JPM) SF556

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	294,286	349,154	343,848	343,240	636,810	3,776	4,006	3,533	4,670	8,062
75/100 guarantee policy	425,377	494,150	530,339	712,557	192,058	5,384	5,607	5,404	9,639	2,424
100/100 guarantee policy	78,808	111,427	117,648	110,675	73,011	976	1,242	1,183	1,484	917
PS1 75/75 guarantee policy	268,712	279,923	337,703	314,525	102,744	3,541	3,281	3,527	4,327	1,308
PS1 75/100 guarantee policy	356,712	376,725	395,722	385,806	119,780	4,608	4,345	4,083	5,263	1,519
PS1 100/100 guarantee policy	70,546	81,934	50,233	51,850	21,640	888	926	510	700	273
PS2 75/75 guarantee policy	40,217	45,901	60,909	172,501	144,022	605	598	689	2,507	1,888
PS2 75/100 guarantee policy	67,420	60,958	60,159	99,111	43,434	1,014	794	681	1,440	570
PS 75/75 guarantee policy	5,493	7,533	8,736	6,266	2,727	75	91	93	87	35
PS 75/100 guarantee policy	20,263	20,518	25,969	20,801	12,622	272	244	274	288	161
PPS 75/75 guarantee policy	7,210	6,251	4,757	4,649	1,146	101	77	51	65	15
PPS 75/100 guarantee policy	31,103	36,105	39,466	39,540	5,428	425	436	422	552	70

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.83	11.47	10.28	13.60	12.66	1.36	1.19
75/100 guarantee policy	12.66	11.35	10.19	13.53	12.62	1.31	1.16
100/100 guarantee policy	12.38	11.15	10.05	13.40	12.56	1.23	1.10
PS1 75/75 guarantee policy	13.18	11.72	10.44	13.76	12.74	1.46	1.28
PS1 75/100 guarantee policy	12.92	11.53	10.32	13.64	12.68	1.39	1.21
PS1 100/100 guarantee policy	12.59	11.30	10.16	13.50	12.61	1.29	1.14
PS2 75/75 guarantee policy	15.03	13.03	11.32	14.53	13.11	2.00	1.71
PS2 75/100 guarantee policy	15.03	13.03	11.32	14.53	13.11	2.00	1.71
PS 75/75 guarantee policy	13.59	12.01	10.64	13.93	12.82	1.58	1.37
PS 75/100 guarantee policy	13.40	11.88	10.55	13.85	12.78	1.52	1.33
PPS 75/75 guarantee policy	13.95	12.27	10.81	14.09	12.90	1.68	1.46
PPS 75/100 guarantee policy	13.68	12.08	10.68	13.97	12.84	1.60	1.40

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

International Opportunity Fund (JPM) SF556

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

International Opportunity Fund (JPM) SF556

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.09	3.06	3.07	3.10	3.03
75/100 guarantee policy	3.36	3.33	3.35	3.37	3.30
100/100 guarantee policy	3.78	3.75	3.76	3.78	3.71
PS1 75/75 guarantee policy	2.57	2.55	2.55	2.56	2.52
PS1 75/100 guarantee policy	2.96	2.94	2.94	2.97	2.91
PS1 100/100 guarantee policy	3.46	3.43	3.44	3.47	3.40
PS 75/75 guarantee policy	1.97	1.96	1.95	1.97	1.94
PS 75/100 guarantee policy	2.24	2.22	2.22	2.24	2.18
PPS 75/75 guarantee policy	1.45	1.44	1.44	1.44	1.42
PPS 75/100 guarantee policy	1.84	1.83	1.83	1.85	1.80

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	31.02	50.19	30.34	29.30	17.84

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SCIENCE & TECHNOLOGY FUND (LC) SF557

December 31, 2024

Independent Auditor's Report

To the Contractholders of Science & Technology Fund (LC) SF557 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Science & Technology Fund (LC) SF557

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 20,218	\$ 10,203
Investment income due and accrued	61	41
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	612,375	387,106
Derivatives (note 7)	—	2,951
Total investments	612,375	390,057
Total assets	\$ 632,654	\$ 400,301
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	12	79
Due to brokers	—	—
Derivatives (note 7)	5,756	235
Total liabilities excluding net assets attributable to contractholders	5,768	314
Net assets attributable to contractholders	\$ 626,886	\$ 399,987

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 164,416	\$ 123,029
Miscellaneous income (loss)	128	(43)
Total income (loss)	164,544	122,986
Expenses		
Management fees (note 8)	13,316	8,153
Transaction costs	40	84
Withholding taxes	232	147
Other	1,298	796
Total expenses	14,886	9,180
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 149,658	\$ 113,806

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 399,987	\$ 236,593
Contractholder deposits	136,876	94,011
Contractholder withdrawals	(59,635)	(44,423)
Increase (decrease) in net assets from operations attributable to contractholders	149,658	113,806
Change in net assets attributable to contractholders	226,899	163,394
Net assets attributable to contractholders - end of year	\$ 626,886	\$ 399,987

Science & Technology Fund (LC) SF557

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 149,658	\$ 113,806
Adjustments		
Realized (gains) losses	(27,750)	(30,707)
Unrealized (gains) losses	(134,151)	(90,214)
Gross proceeds of disposition of investments	83,972	208,341
Gross payments for the purchase of investments	(138,868)	(253,189)
Change in investment income due and accrued	(20)	20
Change in due from/to The Canada Life Assurance Company	(67)	74
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	(67,226)	(51,869)
Financing Activities		
Contractholder deposits	136,876	94,011
Contractholder withdrawals	(59,635)	(44,423)
	77,241	49,588
Net increase (decrease) in cash, short-term deposits and overdrafts	10,015	(2,281)
Cash, short-term deposits and overdrafts, beginning of year	10,203	12,484
Cash, short-term deposits and overdrafts, end of year	\$ 20,218	\$ 10,203
Supplementary cash flow information		
Dividend income received	\$ 1,752	\$ 1,592

Science & Technology Fund (LC) SF557

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Information Technology			
CGI Group Inc. Class A sub. voting	66,859	7,199	10,516
Constellation Software Inc.	8,010	15,308	35,604
Constellation Software Inc. Warrant 08-22-2028	9,262	-	-
Shopify Inc.	304,562	28,567	46,595
The Descartes Systems Group Inc.	111,162	11,013	18,164
Total Canadian Common Stock		62,087	110,879
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	170,223	23,394	46,330
Netflix Inc.	9,524	6,745	12,206
Consumer Discretionary			
Amazon.com Inc.	130,966	20,526	41,312
Financials			
S&P Global Inc.	19,242	10,115	13,779
Health Care			
IDEXX Laboratories Inc.	12,621	8,256	7,503
Intuitive Surgical Inc.	19,290	7,170	14,477
Thermo Fisher Scientific Inc.	17,049	12,161	12,753
Industrials			
Danaher Corp.	25,497	7,396	8,415
Verisk Analytics Inc. Class A	23,653	7,424	9,367
Information Technology			
Amphenol Corp. Class A	155,952	9,112	15,573
Apple Inc.	152,186	28,051	54,795
Cadence Design Systems Inc.	52,826	19,365	22,821
Gartner Inc.	23,073	12,149	16,072
Intuit Inc.	11,846	8,777	10,705

Science & Technology Fund (LC) SF557

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology (continued)			
Keysight Technologies Inc.	40,104	9,086	9,262
Mastercard Inc. Class A	23,269	12,660	17,617
Microsoft Corp.	71,790	25,318	43,507
NVIDIA Corp.	215,841	8,359	41,675
Roper Technologies Inc.	29,560	19,181	22,095
ServiceNow Inc.	16,523	12,226	25,185
Visa Inc. Class A	15,268	4,688	6,938
Workday, Inc.	32,921	10,194	12,214
Total United States Common Stock		282,353	464,601
Global Common Stock			
Ireland			
Accenture PLC Class A	32,988	14,410	16,686
Netherlands			
ASML Holding NV	11,218	11,493	11,179
Ferrari NV	14,783	6,213	9,030
Total Global Common Stock		32,116	36,895
Total Stocks		376,556	612,375

Science & Technology Fund (LC) SF557
Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
1.3510	January 10, 2025	Canadian Dollar	7,166	United States Dollar	7,484	(318)
1.3651	January 24, 2025	Canadian Dollar	68,626	United States Dollar	71,128	(2,502)
1.3856	February 7, 2025	Canadian Dollar	8,157	United States Dollar	8,363	(206)
1.3929	February 14, 2025	Canadian Dollar	11,811	United States Dollar	12,063	(252)
1.3824	February 14, 2025	Canadian Dollar	22,647	United States Dollar	23,254	(607)
1.3949	February 28, 2025	Canadian Dollar	6,951	United States Dollar	7,089	(138)
1.3922	February 28, 2025	Canadian Dollar	81,329	United States Dollar	83,062	(1,733)
					Derivatives - Liabilities	(5,756)
Total Forward Currency Contracts						(5,756)

Total Derivative Instruments at Fair Value (5,756)

Transaction Costs (note 2) (72)

Total Investments 376,484 606,619

Science & Technology Fund (LC) SF557

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Science & Technology Fund (LC) SF557 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Science & Technology Fund (LC) SF557

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 351,772	\$ 838	\$ 352,610	\$ 3,526
Total	\$ 351,772	\$ 838	\$ 352,610	\$ 3,526
As Percent of Net Assets Attributable to Contractholders				56.2%
				0.6%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 229,989	\$ 6	\$ 229,995	\$ 2,300
Other Currencies	7,126	—	7,126	71
Total	\$ 237,115	\$ 6	\$ 237,121	\$ 2,371
As Percent of Net Assets Attributable to Contractholders				59.3%
				0.6%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$6,124 (\$3,871 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Science & Technology Fund (LC) SF557

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Stocks	\$ 612,375	\$ —	\$ —	\$ 612,375
Derivatives	—	—	—	—
Total assets measured at fair value	\$ 612,375	\$ —	\$ —	\$ 612,375
Liabilities measured at fair value				
Derivatives	\$ —	\$ 5,756	\$ —	\$ 5,756
Net assets attributable to contractholders measured at fair value	\$ 612,375	\$ (5,756)	\$ —	\$ 606,619
2023				
Assets Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Stocks	\$ 387,106	\$ —	\$ —	\$ 387,106
Derivatives	—	2,951	—	2,951
Total assets measured at fair value	\$ 387,106	\$ 2,951	\$ —	\$ 390,057
Liabilities measured at fair value				
Derivatives	\$ —	\$ 235	\$ —	\$ 235
Net assets attributable to contractholders measured at fair value	\$ 387,106	\$ 2,716	\$ —	\$ 389,822

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Science & Technology Fund (LC) SF557

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	4,985,053	4,932,311	5,162,958	4,631,308	2,927,880	119,285	87,914	63,175	80,053	42,497
75/100 guarantee policy	7,083,928	6,595,121	5,768,491	5,433,777	3,511,174	168,365	116,914	70,293	93,659	50,887
100/100 guarantee policy	450,707	517,518	530,592	548,341	517,897	10,384	8,948	6,344	9,330	7,454
PS1 75/75 guarantee policy	4,910,426	3,850,078	3,396,401	3,036,375	1,479,231	120,634	70,093	42,233	53,064	21,597
PS1 75/100 guarantee policy	6,617,213	4,762,196	3,183,198	3,029,302	1,652,299	159,832	85,525	39,174	52,567	24,033
PS1 100/100 guarantee policy	664,070	604,567	332,130	494,987	476,739	15,593	10,613	4,017	8,489	6,890
PS2 75/75 guarantee policy	175,066	138,419	132,740	262,885	159,563	4,884	2,791	1,784	4,844	2,397
PS2 75/100 guarantee policy	365,751	347,566	315,967	262,588	161,573	10,204	7,009	4,247	4,839	2,427
PS2 100/100 guarantee policy	7,658	103,095	8,498	2,092	—	214	2,079	114	39	—
PS 75/75 guarantee policy	57,634	61,842	61,018	74,285	73,604	1,459	1,153	773	1,315	1,082
PS 75/100 guarantee policy	129,215	112,816	119,137	80,361	29,964	3,250	2,093	1,503	1,418	440
PS 100/100 guarantee policy	2,058	2,051	2,605	3,059	671	50	37	32	53	10
PPS 75/75 guarantee policy	101,631	78,652	86,078	62,411	38,899	2,642	1,499	1,108	1,117	575
PPS 75/100 guarantee policy	378,994	166,417	125,940	84,586	22,619	9,686	3,128	1,604	1,503	333
PPS 100/100 guarantee policy	16,268	10,378	15,292	15,423	6,748	404	191	192	271	99

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	23.93	17.82	12.24	17.29	14.51	6.11	5.58
75/100 guarantee policy	23.77	17.73	12.19	17.24	14.49	6.04	5.54
100/100 guarantee policy	23.04	17.29	11.96	17.01	14.39	5.75	5.33
PS1 75/75 guarantee policy	24.57	18.21	12.43	17.48	14.60	6.36	5.78
PS1 75/100 guarantee policy	24.15	17.96	12.31	17.35	14.55	6.19	5.65
PS1 100/100 guarantee policy	23.48	17.56	12.10	17.15	14.45	5.92	5.46
PS2 75/75 guarantee policy	27.90	20.17	13.44	18.43	15.02	7.73	6.73
PS2 75/100 guarantee policy	27.90	20.17	13.44	18.43	15.02	7.73	6.73
PS2 100/100 guarantee policy	27.90	20.17	13.44	18.43	—	7.73	6.73
PS 75/75 guarantee policy	25.32	18.65	12.67	17.70	14.70	6.67	5.98
PS 75/100 guarantee policy	25.15	18.55	12.61	17.65	14.68	6.60	5.94
PS 100/100 guarantee policy	24.38	18.09	12.38	17.42	14.58	6.29	5.71
PPS 75/75 guarantee policy	26.00	19.05	12.87	17.89	14.79	6.95	6.18
PPS 75/100 guarantee policy	25.56	18.79	12.74	17.77	14.73	6.77	6.05
PPS 100/100 guarantee policy	24.85	18.37	12.52	17.56	14.64	6.48	5.85

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Science & Technology Fund (LC) SF557

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Science & Technology Fund (LC) SF557

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.00	2.97	2.98	2.96	2.96
75/100 guarantee policy	3.13	3.10	3.11	3.09	3.11
100/100 guarantee policy	3.74	3.71	3.72	3.69	3.71
PS1 75/75 guarantee policy	2.48	2.46	2.47	2.45	2.45
PS1 75/100 guarantee policy	2.81	2.79	2.80	2.77	2.78
PS1 100/100 guarantee policy	3.37	3.34	3.34	3.33	3.34
PS 75/75 guarantee policy	1.89	1.88	1.89	1.87	1.87
PS 75/100 guarantee policy	2.03	2.01	2.01	1.99	2.01
PS 100/100 guarantee policy	2.63	2.61	2.62	2.61	2.61
PPS 75/75 guarantee policy	1.38	1.37	1.37	1.36	1.35
PPS 75/100 guarantee policy	1.71	1.70	1.70	1.68	1.70
PPS 100/100 guarantee policy	2.26	2.24	2.25	2.23	2.24

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	16.72	67.50	51.89	19.40	10.48

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
TACTICAL BOND FUND (PIM) SF558

December 31, 2024

Independent Auditor's Report

To the Contractholders of Tactical Bond Fund (PIM) SF558 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Tactical Bond Fund (PIM) SF558

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 17,204	\$ 16,582
Investment income due and accrued	4,404	3,592
Due from The Canada Life Assurance Company (note 8)	64	21
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	588,849	517,596
Stocks	14,809	14,646
Investment fund units	—	—
Derivatives (note 7)	86	1,615
Total investments	603,744	533,857
Total assets	\$ 625,416	\$ 554,052
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	397
Due to outside parties	—	—
Derivatives (note 7)	1,562	498
Total liabilities excluding net assets attributable to contractholders	1,562	895
Net assets attributable to contractholders	\$ 623,854	\$ 553,157

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 32,762	\$ 35,084
Miscellaneous income (loss)	177	528
Total income (loss)	32,939	35,612
Expenses		
Management fees (note 8)	214	219
Transaction costs	—	3
Withholding taxes	—	—
Other	87	4
Total expenses	301	226
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 32,638	\$ 35,386

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 553,157	\$ 510,056
Contractholder deposits	54,330	35,376
Contractholder withdrawals	(16,271)	(27,661)
Increase (decrease) in net assets from operations attributable to contractholders	32,638	35,386
Change in net assets attributable to contractholders	70,697	43,101
Net assets attributable to contractholders - end of year	\$ 623,854	\$ 553,157

Tactical Bond Fund (PIM) SF558

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 32,638	\$ 35,386
Adjustments		
Add back amortization of premium (discount)	885	(799)
Realized (gains) losses	4,308	20,925
Unrealized (gains) losses	(15,317)	(35,809)
Gross proceeds of disposition of investments	439,033	381,294
Gross payments for the purchase of investments	(497,732)	(426,786)
Change in investment income due and accrued	(812)	(332)
Change in due from/to The Canada Life Assurance Company	(43)	1,099
Change in due from/to brokers	(397)	397
Change in due from/to outside parties	—	—
	(37,437)	(24,625)
Financing Activities		
Contractholder deposits	54,330	35,376
Contractholder withdrawals	(16,271)	(27,661)
	38,059	7,715
Net increase (decrease) in cash, short-term deposits and overdrafts	622	(16,910)
Cash, short-term deposits and overdrafts, beginning of year	16,582	33,492
Cash, short-term deposits and overdrafts, end of year	\$ 17,204	\$ 16,582
Supplementary cash flow information		
Interest income received	\$ 20,617	\$ 17,112
Dividend income received	524	802

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 3.10% 06-15-2028	9,735,000	9,703	9,763
Government of Canada 2.75% 12-01-2055	25,980,000	23,322	23,084
Government of Canada 3.00% 06-01-2034	15,455,000	15,043	15,189
Government of Canada 3.25% 09-01-2028	5,955,000	5,850	6,022
Government of Canada 3.25% 12-01-2034	29,970,000	29,529	30,027
Government of Canada 3.50% 03-01-2034	2,932,000	2,921	3,001
Total Federal Government		86,368	87,086
Provincial Government			
Ontario Power Generation Inc. 4.831% 06-28-2034	600,000	600	628
Province of Alberta 2.95% 06-01-2052	2,991,000	2,600	2,387
Province of Alberta 3.05% 12-01-2048	1,079,000	1,118	886
Province of Alberta 3.10% 06-01-2050	7,079,000	7,195	5,844
Province of Alberta 4.15% 06-01-2033	1,402,000	1,394	1,450
Province of Alberta 4.45% 12-01-2054	1,024,000	1,088	1,066
Province of British Columbia 2.95% 06-18-2050	1,898,000	1,683	1,516
Province of British Columbia 4.45% 12-18-2055	1,283,000	1,332	1,332
Province of Manitoba 2.05% 09-05-2052	3,276,000	2,219	2,092
Province of Manitoba 3.20% 03-05-2050	80,000	87	66
Province of Manitoba 3.80% 09-05-2053	3,599,000	3,265	3,303
Province of Ontario 2.65% 12-02-2050	5,023,000	3,765	3,804
Province of Ontario 3.80% 12-02-2034	16,334,000	16,324	16,272
Province of Ontario 4.10% 03-04-2033	1,846,000	1,839	1,904
Province of Ontario 4.15% 06-02-2034	7,071,000	7,060	7,265
Province of Ontario 4.15% 12-02-2054	2,681,000	2,658	2,665
Province of Ontario 4.60% 12-02-2055	21,705,000	23,179	23,275
Province of Quebec 3.65% 05-20-2032	1,240,000	1,240	1,250
Province of Quebec 3.90% 11-22-2032	700,000	689	715
Province of Quebec 4.20% 12-01-2057	5,816,000	5,695	5,800
Province of Quebec 4.40% 12-01-2055	18,473,000	18,616	19,045
Province of Quebec 4.45% 09-01-2034	10,989,000	11,149	11,522
Province of Saskatchewan 2.15% 06-02-2031	250,000	218	232
Province of Saskatchewan 2.80% 12-02-2052	2,981,000	2,572	2,298

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Saskatchewan 3.10% 06-02-2050	2,814,000	2,769	2,321
Province of Saskatchewan 4.20% 12-02-2054	2,655,000	2,691	2,650
Total Provincial Government		123,045	121,588
Municipal Government			
City of Ottawa 3.05% 05-10-2039	510,000	573	442
City of Toronto 5.20% 06-01-2040	2,158,000	3,164	2,361
Total Municipal Government		3,737	2,803
Corporate - Non-convertible			
407 International Inc. 1.80% 05-22-2025	352,000	359	350
407 International Inc. 3.30% 03-27-2045	277,000	302	232
407 International Inc. 3.43% 06-01-2033	47,000	51	45
407 International Inc. 3.60% 05-21-2047	379,000	289	329
407 International Inc. 3.67% 03-08-2049	1,163,000	1,003	1,014
407 International Inc. 4.22% 02-14-2028	700,000	700	713
407 International Inc. 4.54% 10-09-2054	390,000	390	390
407 International Inc. 4.68% 10-07-2053	240,000	244	245
407 International Inc. 4.86% 07-31-2053	271,000	271	284
Aeroports de Montreal 3.03% 04-21-2050	118,000	92	92
Aeroports de Montreal 3.36% 04-24-2047	668,000	525	563
Aeroports de Montreal 6.55% 10-11-2033	59,000	70	69
AIMCo Realty Investors LP 2.712% 06-01-2029	1,483,000	1,574	1,424
Alectra Inc. 1.751% 02-11-2031	343,000	301	307
Alectra Inc. 4.627% 06-13-2034	309,000	309	321
Algonquin Power & Utilities Corp. 4.09% 02-17-2027	39,000	44	39
Algonquin Power & Utilities Corp. 5.25% 01-18-2082	2,741,000	2,627	2,632
Algonquin Power Co. 2.85% 07-15-2031	775,000	752	776
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	940,000	940	1,012
AltaGas Ltd. 2.157% 06-10-2025	29,000	29	29
AltaGas Ltd. 5.25% 01-11-2082	421,000	421	407
AltaGas Ltd. 8.90% 11-10-2083	255,000	255	283

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
AltaLink LP 4.742% 05-22-2054	338,000	338	349
AltaLink LP 5.463% 10-11-2055	350,000	350	403
ARC Resources Ltd. 3.465% 03-10-2031	128,000	123	123
ATCO Ltd. Floating Rate 11-01-2078	1,140,000	1,121	1,166
Athene Global Funding 3.127% 03-10-2025	510,000	510	510
Bank of Montreal 3.19% 03-01-2028	960,000	948	954
Bank of Montreal 3.65% 04-01-2027	1,000,000	985	1,003
Bank of Montreal 4.30% 11-26-2025	3,666,000	3,601	3,660
Bank of Montreal 4.309% 06-01-2027	2,350,000	2,332	2,392
Bank of Montreal 4.42% 07-17-2029	1,760,000	1,760	1,809
Bank of Montreal 4.537% 12-18-2028	1,000,000	1,000	1,031
Bank of Montreal 4.709% 12-07-2027	2,000,000	1,995	2,061
Bank of Montreal 4.976% 07-03-2034	850,000	850	878
Bank of Montreal 5.625% 05-26-2082	1,042,000	1,013	1,053
Bank of Montreal 6.034% 09-07-2033	2,122,000	2,117	2,266
Bank of Montreal 6.534% 10-27-2032	944,000	963	1,010
Bank of Montreal 7.325% 11-26-2082	2,002,000	2,003	2,117
Baytex Energy Corp. 8.50% 04-30-2030 144A	175,000	246	258
BCI QuadReal Realty 2.551% 06-24-2026	46,000	43	46
Bell Canada 2.20% 05-29-2028	155,000	155	148
Bell Canada 3.00% 03-17-2031	148,000	126	139
Bell Canada 4.45% 02-27-2047	33,000	39	30
Bell Canada 5.15% 02-09-2053	285,000	276	283
Bell Canada 5.15% 08-24-2034	297,000	296	309
Bell Canada 5.15% 11-14-2028	911,000	915	951
Bell Canada 5.25% 03-15-2029	870,000	869	915
BMW Canada Inc. 3.99% 10-10-2028	270,000	270	273
British Columbia Investment Management Corp. 4.90% 06-02-2033	1,889,000	1,973	2,045
Brookfield Infrastructure Finance ULC 5.616% 11-14-2027	910,000	910	957
Brookfield Renewable Energy Partners LP 3.63% 01-15-2027	740,000	764	742
Brookfield Renewable Partners ULC 4.959% 10-20-2034	490,000	490	507
Brookfield Renewable Partners ULC 5.292% 10-28-2033	288,000	303	307
Bruce Power LP 4.00% 06-21-2030	918,000	882	923
Bruce Power LP 4.27% 12-21-2034	320,000	320	317

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Bruce Power LP 4.99% 12-21-2032	170,000	170	179
Calgary Airport Authority 3.554% 10-07-2051	280,000	245	239
Calgary Airport Authority 3.554% 10-07-2053	170,000	138	144
Cameco Corp. 4.94% 05-24-2031	544,000	544	567
Canadian Core Real Estate 3.299% 03-02-2027	560,000	560	553
Canadian Core Real Estate LP 4.482% 10-16-2029	430,000	430	435
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	1,019,000	1,018	997
Canadian Imperial Bank of Commerce 1.96% 04-21-2031	504,000	504	494
Canadian Imperial Bank of Commerce 3.80% 12-10-2029	672,000	671	672
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	475,000	470	479
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	3,563,000	3,513	3,558
Canadian Imperial Bank of Commerce 4.90% 06-12-2034	880,000	879	906
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	2,723,000	2,747	2,813
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	1,311,000	1,311	1,348
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	462,000	461	480
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	740,000	740	773
Canadian Imperial Bank of Commerce 5.33% 01-20-2033	630,000	630	656
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	570,000	569	594
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	494,000	493	516
Canadian National Railway Co. 4.40% 05-10-2033	540,000	539	555
Canadian Natural Resources Ltd. 3.42% 12-01-2026	632,000	673	632
Canadian Natural Resources Ltd. 4.15% 12-15-2031	470,000	469	471
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	1,289,000	1,271	1,254
Canadian Pacific Railway Ltd. 3.15% 03-13-2029	579,000	525	570
Canadian Utilities Ltd. 4.851% 06-03-2052	601,000	597	617
Canadian Western Bank 1.926% 04-16-2026	1,608,000	1,617	1,581
Canadian Western Bank 3.859% 04-21-2025	850,000	850	851
Canadian Western Bank 4.571% 07-11-2028	220,000	220	227
Canadian Western Bank 5.00% 07-31-2081	200,000	200	199
Canadian Western Bank 5.146% 09-02-2027	570,000	570	594
Canadian Western Bank 5.261% 12-20-2025	320,000	320	326
Canadian Western Bank 5.937% 12-22-2032	270,000	270	285
Canadian Western Bank 5.949% 01-29-2034	410,000	410	437
Canadian Western Bank 6.00% 04-30-2081	1,753,000	1,798	1,760

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Capital Power Corp. 4.831% 09-16-2031	132,000	132	135
Capital Power Corp. 4.986% 01-23-2026	1,720,000	1,838	1,742
Cascades Inc./Cascades USA Inc. 5.125% 01-15-2025	252,000	263	252
CDP Financial Inc. 4.20% 12-02-2030	1,271,000	1,284	1,326
Cenovus Energy Inc. 3.50% 02-07-2028	3,021,000	2,993	3,005
Central 1 Credit Union 5.877% 11-10-2026	420,000	420	436
CES Energy Solutions Corp. 6.875% 05-24-2029	235,000	236	239
CGI Inc. 3.987% 09-07-2027	640,000	640	647
CGI Inc. 4.147% 09-05-2029	460,000	460	466
Choice Properties REIT 2.848% 05-21-2027	382,000	391	376
Choice Properties REIT 3.532% 06-11-2029	344,000	321	339
Choice Properties REIT 5.40% 03-01-2033	1,095,000	1,096	1,158
Coast Capital Savings Federal Credit Union 8.875% 05-02-2033	1,060,000	1,060	1,118
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	450,000	450	469
Coastal Gaslink Pipeline LP 4.907% 06-30-2031	650,000	650	686
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	540,000	540	579
Coastal Gaslink Pipeline LP 5.538% 06-30-2039	494,000	533	546
Cogeco Communications Inc. 2.991% 09-22-2031	446,000	446	412
Cogeco Communications Inc. 5.299% 02-16-2033	250,000	250	262
Cogeco Communications Inc. 6.125% 02-27-2029	620,000	621	640
Cologix Data Centers Issuer LLC 4.94% 01-25-2052	23,000	23	22
Cologix Data Centers Issuer LLC 5.68% 01-25-2052	67,000	67	64
Corus Entertainment Inc. 5.00% 05-11-2028	164,000	164	79
CPPIB Capital Inc. 2.25% 12-01-2031	430,000	426	398
CPPIB Capital Inc. 3.95% 06-02-2032	1,865,000	1,859	1,913
Crombie REIT 3.133% 08-12-2031	483,000	457	447
Crombie REIT 3.211% 10-09-2030	11,000	11	10
Crombie REIT 3.917% 06-21-2027	16,000	16	16
Crombie REIT 4.732% 01-15-2032	320,000	320	324
CU Inc. 4.085% 09-02-2044	71,000	71	67
CU Inc. 4.773% 09-14-2052	615,000	615	637
CU Inc. 5.088% 09-20-2053	630,000	630	684
Curaleaf Holdings Inc. 8.00% 12-15-2026	380,000	487	524
Dollarama Inc. 5.533% 09-26-2028	670,000	670	714

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Dream Industrial REIT 1.662% 12-22-2025	320,000	320	315
Dream Industrial REIT 2.057% 06-17-2027	3,110,000	3,083	2,987
Dream Industrial REIT 2.539% 12-07-2026	390,000	390	382
Dream Industrial REIT 5.383% 03-22-2028	630,000	632	657
Dream Summit Industrial LP 4.507% 02-12-2031	290,000	290	292
Enbridge Gas Inc. 2.35% 09-15-2031	160,000	133	146
Enbridge Gas Inc. 2.37% 08-09-2029	115,000	99	109
Enbridge Gas Inc. 4.55% 08-17-2052	910,000	865	897
Enbridge Gas Inc. 5.70% 10-06-2033	645,000	659	719
Enbridge Inc. 3.10% 09-21-2033	2,506,000	2,476	2,301
Enbridge Inc. 4.73% 08-22-2034	660,000	663	675
Enbridge Inc. 4.90% 05-26-2028	687,000	687	714
Enbridge Inc. 5.375% 09-27-2077	5,993,000	5,957	6,055
Enbridge Inc. 6.10% 11-09-2032	2,494,000	2,661	2,795
Enbridge Inc. 6.625% 04-12-2078	1,162,000	1,227	1,222
Enbridge Inc. 8.495% 01-15-2084	184,000	192	205
Enbridge Pipelines Inc. 4.20% 05-12-2051	417,000	357	366
Enbridge Pipelines Inc. 4.33% 02-22-2049	396,000	377	356
Enbridge Pipelines Inc. 4.55% 09-29-2045	203,000	182	190
Enbridge Pipelines Inc. 5.82% 08-17-2053	174,000	186	194
Energir LP 4.67% 09-27-2032	460,000	460	477
ENMAX Corp. 4.695% 10-09-2034	400,000	400	404
EPCOR Utilities Inc. 3.106% 07-08-2049	245,000	184	193
EPCOR Utilities Inc. 3.554% 11-27-2047	421,000	432	361
EPCOR Utilities Inc. 4.725% 09-02-2052	620,000	620	635
EPCOR Utilities Inc. 4.99% 05-31-2054	506,000	506	541
EPCOR Utilities Inc. 5.326% 10-03-2053	1,050,000	1,081	1,178
Equitable Bank 1.876% 11-26-2025	3,944,000	3,938	3,886
Equitable Bank 3.362% 03-02-2026	445,000	445	443
Equitable Bank 3.91% 12-17-2027	811,000	811	812
Equitable Bank 3.99% 03-24-2028	343,000	343	344
Equitable Bank 5.16% 01-11-2027	800,000	800	821
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	1,036,000	995	1,028
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	840,000	812	853

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Federation des Caisses Desjardins du Quebec 1.587% 09-10-2026	396,000	396	385
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	433,000	433	433
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	529,000	529	540
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	1,300,000	1,300	1,339
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	810,000	810	846
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	1,080,000	1,089	1,148
First Capital REIT 3.447% 03-01-2028	196,000	173	193
First Capital REIT 4.513% 06-03-2030	514,000	514	518
First Capital REIT 5.455% 06-12-2032	310,000	310	325
First Capital REIT 5.57% 03-01-2031	1,928,000	1,960	2,043
First West Credit Union 9.186% 08-09-2033	470,000	470	531
Ford Credit Canada Co. 2.961% 09-16-2026	280,000	280	276
Ford Credit Canada Co. 4.792% 09-12-2029	480,000	480	485
Ford Credit Canada Co. 5.242% 05-23-2028	600,000	600	618
Ford Credit Canada Co. 5.581% 02-22-2027	450,000	450	464
Ford Credit Canada Co. 6.326% 11-10-2026	510,000	510	531
Ford Credit Canada Co. 6.777% 09-15-2025	1,050,000	1,050	1,071
Ford Credit Canada Co. 7.00% 02-10-2026	1,245,000	1,245	1,286
Ford Credit Canada Co. 7.375% 05-12-2026	664,000	664	694
Fortis Inc. 4.171% 09-09-2031	990,000	991	997
Fortis Inc. 4.431% 05-31-2029	1,010,000	1,011	1,037
Fortis Inc. 5.677% 11-08-2033	750,000	750	824
FortisBC Energy Inc. 2.54% 07-13-2050	189,000	189	132
FortisBC Energy Inc. 4.67% 11-28-2052	132,000	133	134
G. Cooper Equipment Rentals Ltd. 7.45% 07-04-2029	871,000	871	894
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	560,000	559	580
General Motors Financial of Canada Ltd. 5.10% 07-14-2028	363,000	362	377
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	410,000	410	425
George Weston Ltd. 4.193% 09-05-2029	540,000	540	547
GFL Environmental Inc. 3.50% 09-01-2028 144A	1,227,000	1,461	1,664
GFL Environmental Inc. 6.75% 01-15-2031 144A	298,000	405	441
Gibson Energy Inc. 4.45% 11-12-2031	320,000	320	324
Gibson Energy Inc. 5.25% 12-22-2030	528,000	528	516
Gibson Energy Inc. 5.75% 07-12-2033	667,000	669	723

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Gibson Energy Inc. 8.70% 07-12-2083	277,000	281	303
Granite REIT Holdings LP 2.194% 08-30-2028	1,140,000	1,086	1,075
Granite REIT Holdings LP 3.062% 06-04-2027	1,819,000	1,857	1,794
Granite REIT Holdings LP 3.999% 10-04-2029	470,000	470	469
Greater Toronto Airports Authority 1.54% 05-03-2028	362,000	339	342
Greater Toronto Airports Authority 2.75% 10-17-2039	1,064,000	1,073	876
Greater Toronto Airports Authority 5.63% 06-07-2040	1,132,000	1,620	1,279
Greater Toronto Airports Authority 6.47% 02-02-2034	138,000	160	161
Greater Toronto Airports Authority 7.05% 06-12-2030	389,000	444	447
Greater Toronto Airports Authority 7.10% 06-04-2031	389,000	451	456
H&R REIT 4.071% 06-16-2025	675,000	728	676
Hydro One Inc. 2.23% 09-17-2031	973,000	904	891
Hydro One Inc. 4.16% 01-27-2033	356,000	356	363
Hydro One Inc. 4.39% 03-01-2034	720,000	720	740
Hydro One Inc. 4.85% 11-30-2054	1,653,000	1,683	1,742
Hydro One Inc. 4.89% 03-13-2037	694,000	676	725
Hydro One Inc. 4.91% 01-27-2028	956,000	964	998
Hydro One Inc. 6.93% 06-01-2032	506,000	589	597
Hydro One Inc. 7.35% 06-03-2030	778,000	892	908
Hyundai Capital Canada Inc. 4.895% 01-31-2029	840,000	840	870
iA Financial Corp. Inc. 2.40% 02-21-2025	256,000	260	256
iA Financial Corp. Inc. 4.131% 12-05-2034	410,000	410	411
iA Financial Corp. Inc. 5.685% 06-20-2033	390,000	390	412
Intact Financial Corp. 4.125% 03-31-2081	150,000	150	149
Intact Financial Corp. 4.653% 05-16-2034	340,000	340	351
Intact Financial Corp. 5.276% 09-14-2054	506,000	545	559
Intact Financial Corp. 5.459% 09-22-2032 144A	430,000	570	619
Inter Pipeline Ltd. 3.484% 12-16-2026	410,000	433	409
Inter Pipeline Ltd. 5.71% 05-29-2030	409,000	409	434
Inter Pipeline Ltd. 6.625% 11-19-2079	105,000	101	107
Inter Pipeline Ltd. 6.875% 03-26-2079	280,000	280	287
John Deere Financial Inc. 5.17% 09-15-2028	180,000	177	190
Keyera Corp. 3.959% 05-29-2030	153,000	164	153
Keyera Corp. 5.95% 03-10-2081	2,367,000	2,377	2,396

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Kruger Packaging Holdings LP 6.00% 06-01-2026	204,000	220	204
Kruger Products Inc. 5.375% 04-09-2029	91,000	91	88
Loblaw Companies Ltd. 2.284% 05-07-2030	77,000	64	72
Loblaw Companies Ltd. 5.115% 03-04-2054	880,000	880	910
Loblaw Companies Ltd. 5.336% 09-13-2052	410,000	410	437
Lower Mattagami Energy LP 2.433% 05-14-2031	520,000	520	480
Lower Mattagami Energy LP 4.691% 06-07-2054	390,000	390	399
Lower Mattagami Energy LP 4.854% 10-31-2033	251,000	251	266
Manulife Bank of Canada 1.536% 09-14-2026	480,000	480	466
Manulife Bank of Canada 2.864% 02-16-2027	960,000	960	951
Manulife Financial Corp. 4.064% 12-06-2034	880,000	880	883
Manulife Financial Corp. 5.054% 02-23-2034	800,000	800	835
Manulife Financial Corp. 5.409% 03-10-2033	1,883,000	1,918	1,975
Manulife Financial Corp. 7.117% 06-19-2082	693,000	688	722
Mattamy Group Corp. 4.625% 03-01-2030 144A	49,000	54	66
MCAP Commercial LP 3.743% 08-25-2025	377,000	381	377
MEG Energy Corp. 5.875% 02-01-2029 144A	175,000	229	246
Metro Inc. 3.39% 12-06-2027	3,000,000	3,352	2,994
Metro Inc. 4.657% 02-07-2033	211,000	210	219
National Bank of Canada 1.573% 08-18-2026	125,000	125	124
National Bank of Canada 4.05% 08-15-2081	610,000	611	589
National Bank of Canada 4.30% 11-15-2025	866,000	865	865
National Bank of Canada 5.023% 02-01-2029	1,260,000	1,274	1,323
National Bank of Canada 5.279% 02-15-2034	430,000	430	448
National Bank of Canada 5.296% 11-03-2025	576,000	577	585
National Bank of Canada 5.426% 08-16-2032	1,280,000	1,280	1,331
North West Redwater Partnership 2.80% 06-01-2027	790,000	820	778
North West Redwater Partnership 3.20% 04-24-2026	1,623,000	1,732	1,619
North West Redwater Partnership 3.65% 06-01-2035	652,000	567	615
North West Redwater Partnership 3.70% 02-23-2043	156,000	142	137
North West Redwater Partnership 4.15% 06-01-2033	1,216,000	1,097	1,218
North West Redwater Partnership 4.25% 06-01-2029	450,000	449	461
North West Redwater Partnership/NWR Financing Co. Ltd. 2.80% 06-01-2031	1,770,000	1,697	1,664
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	510,000	510	534

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
OMERS Finance Trust 2.60% 05-14-2029	451,000	491	438
Ontario Teachers' Finance Trust 4.30% 06-02-2034	1,522,000	1,543	1,568
Ontario Teachers' Finance Trust 4.45% 06-02-2032	1,254,000	1,254	1,317
Parkland Corp. of Canada 3.875% 06-16-2026	1,515,000	1,515	1,501
Parkland Corp. of Canada 4.375% 03-26-2029	2,220,000	2,204	2,149
Parkland Corp. of Canada 6.00% 06-23-2028	579,000	603	583
Pembina Pipeline Corp. 4.02% 03-27-2028	2,093,000	2,255	2,115
Pembina Pipeline Corp. 4.74% 01-21-2047	320,000	309	302
Pembina Pipeline Corp. 4.80% 01-25-2031	2,160,000	2,059	2,074
Pembina Pipeline Corp. 4.81% 03-25-2044	410,000	445	391
Pembina Pipeline Corp. 5.22% 06-28-2033	690,000	690	729
Pembina Pipeline Corp. 5.67% 01-12-2054	550,000	550	590
Prologis Inc. 4.70% 03-01-2029	770,000	769	795
Prologis LP 5.25% 01-15-2031	240,000	235	253
PSP Capital Inc. 2.60% 03-01-2032	890,000	887	839
PSP Capital Inc. 4.15% 06-01-2033	81,000	82	84
PSP Capital Inc. 4.25% 12-01-2055	2,124,000	2,108	2,139
Reliance LP 2.67% 08-01-2028	540,000	540	516
Reliance LP 2.68% 12-01-2027	500,000	511	485
Reliance LP 3.75% 03-15-2026	204,000	219	204
Reliance LP 5.25% 05-15-2031	795,000	800	829
RioCan REIT 2.361% 03-10-2027	254,000	251	247
RioCan REIT 2.576% 02-12-2025	2,417,000	2,453	2,414
RioCan REIT 2.829% 11-08-2028	608,000	563	582
Rogers Communications Inc. 2.90% 12-09-2030	542,000	477	508
Rogers Communications Inc. 3.75% 04-15-2029	1,029,000	1,028	1,023
Rogers Communications Inc. 5.00% 12-17-2081	10,144,000	9,550	10,165
Rogers Communications Inc. 5.25% 03-15-2082 144A	1,122,000	1,435	1,570
Rogers Communications Inc. 5.70% 09-21-2028	1,759,000	1,789	1,871
Rogers Communications Inc. 5.90% 09-21-2033	187,000	204	205
Rogers Communications Inc. 6.75% 11-09-2039	771,000	885	896
Royal Bank of Canada 2.328% 01-28-2027	763,000	687	746
Royal Bank of Canada 2.94% 05-03-2032	338,000	319	333
Royal Bank of Canada 4.00% 10-17-2030	2,230,000	2,230	2,252

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Royal Bank of Canada 4.464% 10-17-2035	740,000	740	752
Royal Bank of Canada 4.50% 11-24-2080	5,928,000	5,799	5,926
Royal Bank of Canada 4.612% 07-26-2027	506,000	500	520
Royal Bank of Canada 4.632% 05-01-2028	730,000	730	754
Royal Bank of Canada 4.642% 01-17-2028	549,000	549	566
Royal Bank of Canada 5.096% 04-03-2034	900,000	900	936
Royal Bank of Canada Floating Rate 08-08-2034	3,000	3	3
Sagen MI Canada Inc. 3.261% 03-05-2031	316,000	314	288
Sagen MI Canada Inc. 4.95% 03-24-2081	340,000	340	315
Saputo Inc. 5.492% 11-20-2030	710,000	710	762
Sienna Senior Living Inc. 2.82% 03-31-2027	190,000	190	186
Sienna Senior Living Inc. 4.436% 10-17-2029	160,000	160	162
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	250,000	250	253
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	410,000	410	416
Stella-Jones Inc. 4.312% 10-01-2031	410,000	410	410
Sun Life Financial Inc. 2.06% 10-01-2035	1,542,000	1,536	1,395
Sun Life Financial Inc. 2.58% 05-10-2032	1,129,000	1,161	1,105
Sun Life Financial Inc. 2.80% 11-21-2033	872,000	872	843
Sun Life Financial Inc. 4.78% 08-10-2034	1,804,000	1,796	1,872
Sun Life Financial Inc. 5.12% 05-15-2036	1,010,000	1,010	1,066
Sun Life Financial Inc. 5.50% 07-04-2035	314,000	314	337
Suncor Energy Inc. 3.95% 03-04-2051	1,534,000	1,502	1,323
Superior Plus LP 4.25% 05-18-2028	889,000	883	844
Tamarack Valley Energy Ltd. 7.25% 05-10-2027	137,000	129	139
TELUS Corp. 2.85% 11-13-2031	307,000	256	282
TELUS Corp. 3.15% 02-19-2030	398,000	395	383
TELUS Corp. 3.30% 05-02-2029	491,000	489	481
TELUS Corp. 4.65% 08-13-2031	550,000	550	563
TELUS Corp. 4.80% 12-15-2028	220,000	220	228
TELUS Corp. 4.95% 02-18-2031	420,000	419	437
TELUS Corp. 4.95% 03-28-2033	360,000	359	372
Teranet Holdings LP 3.544% 06-11-2025	734,000	767	733
Teranet Holdings LP 3.719% 02-23-2029	1,270,000	1,270	1,236
The Bank of Nova Scotia 3.836% 09-26-2030	1,264,000	1,261	1,266

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
The Bank of Nova Scotia 3.934% 05-03-2032	615,000	615	617
The Bank of Nova Scotia 4.442% 11-15-2035	370,000	370	375
The Bank of Nova Scotia 4.68% 02-01-2029	576,000	576	597
The Bank of Nova Scotia 4.95% 08-01-2034	710,000	709	734
The Bank of Nova Scotia 5.50% 12-29-2025	1,000,000	1,004	1,020
The Bank of Nova Scotia 5.679% 08-02-2033	480,000	480	507
The Bank of Nova Scotia 7.023% 07-27-2082	1,595,000	1,586	1,663
The Empire Life Insurance Co. 3.625% 04-17-2026	234,000	234	211
The Empire Life Insurance Co. 5.503% 01-13-2033	370,000	370	386
The Independent Order of Foresters 2.885% 10-15-2035	907,000	908	821
The Toronto-Dominion Bank 2.26% 01-07-2027	529,000	529	517
The Toronto-Dominion Bank 3.06% 01-26-2032	1,914,000	2,017	1,890
The Toronto-Dominion Bank 3.105% 04-22-2030	2,812,000	2,696	2,808
The Toronto-Dominion Bank 4.002% 10-31-2030	930,000	930	938
The Toronto-Dominion Bank 4.21% 06-01-2027	2,129,000	2,098	2,163
The Toronto-Dominion Bank 4.423% 10-31-2035	1,160,000	1,160	1,172
The Toronto-Dominion Bank 4.477% 01-18-2028	1,099,000	1,094	1,128
The Toronto-Dominion Bank 4.68% 01-08-2029	205,000	205	212
The Toronto-Dominion Bank 5.376% 10-21-2027	1,243,000	1,254	1,303
The Toronto-Dominion Bank 5.423% 07-10-2026	740,000	740	761
The Toronto-Dominion Bank 5.491% 09-08-2028	1,127,000	1,127	1,196
The Toronto-Dominion Bank 7.283% 10-31-2082	507,000	513	535
TMX Group Ltd. 2.016% 02-12-2031	279,000	279	253
TMX Group Ltd. 4.678% 08-16-2029	330,000	330	345
Toronto Hydro Corp. 4.61% 06-14-2033	806,000	805	843
Tourmaline Oil Corp. 2.529% 02-12-2029	300,000	300	286
Toyota Credit Canada Inc. 3.73% 10-02-2029	620,000	620	620
Toyota Credit Canada Inc. 4.44% 06-27-2029	450,000	450	464
TransCanada PipeLines Ltd. 4.33% 09-16-2047	224,000	187	202
TransCanada PipeLines Ltd. 5.277% 07-15-2030	1,723,000	1,750	1,830
TransCanada PipeLines Ltd. 5.33% 05-12-2032	552,000	584	590
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	8,787,000	8,344	8,729
TransCanada Trust 4.20% 03-04-2081	965,000	965	909
TransCanada Trust 5.30% 03-15-2077	75,000	89	104

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Transcontinental Inc. 2.667% 02-03-2025	200,000	189	200
Vancouver Airport Authority 1.76% 09-20-2030	566,000	497	511
Vancouver Airport Fuel Facilities Corp. 2.168% 06-23-2025	125,000	125	124
Ventas Canada Finance Ltd. 5.10% 03-05-2029	680,000	680	708
Ventas Canada Finance Ltd. 5.398% 04-21-2028	800,000	800	838
Veren Inc. 4.968% 06-21-2029	610,000	610	629
Vermilion Energy Inc. 6.875% 05-01-2030 144A	65,000	84	93
Videotron Ltd. 3.125% 01-15-2031	1,133,000	1,083	1,066
Videotron Ltd. 3.625% 06-15-2028	2,460,000	2,348	2,445
Videotron Ltd. 4.50% 01-15-2030	1,097,000	1,177	1,111
Videotron Ltd. 4.65% 07-15-2029	700,000	700	718
VW Credit Canada Inc. 4.21% 08-19-2027	480,000	483	484
VW Credit Canada Inc. 4.42% 08-20-2029	904,000	912	912
VW Credit Canada Inc. 5.73% 09-20-2028	360,000	383	380
Waste Management of Canada Corp. 2.60% 09-23-2026	878,000	930	867
Whitecap Resources Inc. 4.382% 11-01-2029	480,000	480	484
WSP Global Inc. 2.408% 04-19-2028	465,000	468	447
WSP Global Inc. 4.12% 09-12-2029	470,000	470	475
Total Corporate - Non-convertible		310,185	314,293
Corporate - Convertible			
The Cannabist Company Holdings Inc. 6.00% 06-29-2025 Conv.	63,000	77	66
Total Corporate - Convertible		77	66
Total Canadian Bonds		523,412	525,836
United States Bonds			
Federal Government			
United States Treasury Inflation Index 0.125% 04-15-2025 Real Return	8,760,000	14,145	15,305
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	11,556,000	16,272	15,834
Total Federal Government		30,417	31,139

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible			
Algonquin Power & Utilities Corp. 4.75% 01-18-2082	1,203,000	1,507	1,623
AT&T Inc. 4.85% 05-25-2047	639,000	571	615
Athene Global Funding 2.47% 06-09-2028	171,000	154	164
Athene Global Funding 5.113% 03-07-2029	550,000	550	573
Bank of America Corp. 1.978% 09-15-2027	645,000	634	629
Bank of America Corp. 3.615% 03-16-2028	1,555,000	1,495	1,555
Broadcom Inc. 4.11% 09-15-2028	820,000	1,046	1,152
DIRECTV Holdings LLC/DIRECTV Financing Co. 5.875% 08-15-2027 144A	104,000	131	146
Glencore Funding LLC 5.338% 04-04-2027 144A	260,000	353	377
Glencore Funding LLC 5.70% 05-08-2033 144A	528,000	729	767
Go Daddy Operating Co. LLC/GD Finance Co. Inc. 3.50% 03-01-2029 144A	5,000	6	7
JPMorgan Chase & Co. 1.896% 03-05-2028	1,230,000	1,230	1,190
LGI Homes Inc. 8.75% 12-15-2028 144A	30,000	41	45
Nestle Holdings Inc. 2.192% 01-26-2029	630,000	630	601
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	360,000	433	469
NextEra Energy Capital Holdings Inc. 4.85% 04-30-2031	1,664,000	1,668	1,735
Tenet Healthcare Corp. 4.375% 01-15-2030	95,000	127	127
The Goldman Sachs Group Inc. 2.013% 02-28-2028	370,000	370	352
The Goldman Sachs Group Inc. 2.599% 11-30-2027	1,180,000	1,180	1,160
The Walt Disney Co. 3.057% 03-30-2027	2,331,000	2,468	2,312
T-Mobile USA Inc. 3.75% 04-15-2027	781,000	1,006	1,097
T-Mobile USA Inc. 5.15% 04-15-2034	180,000	240	255
T-Mobile USA Inc. 5.20% 01-15-2033	900,000	1,174	1,282
Univision Communications Inc. 4.50% 05-01-2029 144A	130,000	158	167
Verizon Communications Inc. 2.375% 03-22-2028	1,811,000	1,709	1,747
Wells Fargo & Co. 2.975% 05-19-2026	302,000	326	300
Zoetis Inc. 2.00% 05-15-2030	870,000	955	1,077
Total Corporate - Non-convertible		20,891	21,524
Total United States Bonds		51,308	52,663

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds			
Australia			
Transurban Finance Co. Pty Ltd. 4.555% 11-14-2028	187,000	205	189
British Virgin Islands			
Sino-Ocean Land Treasure IV Ltd. 2.70% 01-13-2025	350,000	153	42
Sino-Ocean Land Treasure IV Ltd. 4.75% 08-05-2029	200,000	103	24
Cayman Islands			
CIFI Holdings Group Co. Ltd. 6.00% 07-16-2025	200,000	64	37
Country Garden Holdings Co. Ltd. 2.70% 07-12-2026	350,000	303	52
Country Garden Holdings Co. Ltd. 5.625% 01-14-2030	220,000	63	33
Kaisa Group Holdings Ltd. 10.50% 09-07-2022 ⁽¹⁾	500,000	356	44
Kaisa Group Holdings Ltd. 8.65% 07-22-2022 ⁽¹⁾	200,000	91	17
Kaisa Group Holdings Ltd. 9.375% 06-30-2024 ⁽¹⁾	300,000	281	27
Logan Group Co. Ltd. 4.70% 07-06-2026	515,000	418	71
Sunac China Holdings Ltd. 1.00% 09-30-2032	24,700	7	4
Chile			
AES Andes SA 6.30% 03-15-2029	450,000	608	652
Inversiones CMPC SA 3.00% 04-06-2031	205,000	256	251
France			
Electricite de France SA 5.379% 05-17-2034	1,391,000	1,391	1,458
Ireland			
Jazz Securities Designated Activity Co. 4.375% 01-15-2029 144A	200,000	250	271
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	411,000	411	401
Heathrow Funding Ltd. 3.40% 03-08-2028	449,000	462	446
Heathrow Funding Ltd. 3.726% 04-13-2033	1,344,000	1,284	1,279
Heathrow Funding Ltd. 3.782% 09-04-2030	1,873,000	1,840	1,846

⁽¹⁾ This security was past due as at December 31, 2024. The term-to-maturity for this security is disclosed as 1 year or less in the Interest Rate Risk note within the Notes to the Schedule of Investment Portfolio.

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Liberia			
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	299,000	414	429
Mexico			
Becle SAB de CV 2.50% 10-14-2031	650,000	815	748
Netherlands			
NXP BV/NXP Funding LLC/NXP USA Inc. 2.65% 02-15-2032	220,000	281	266
Supra-National			
International Bank for Reconstruction and Development 0.00% 03-31-2027	750,000	893	975
International Bank for Reconstruction and Development 1.95% 09-20-2029	496,000	523	470
United Kingdom			
Anglian Water Services Financing PLC 4.525% 08-26-2032	322,000	322	318
Total Global Bonds		11,794	10,350
Total Bonds		586,514	588,849
Canadian Common Stock			
Exchange Traded Funds			
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	105,258	1,372	1,175
Mackenzie Canadian Aggregate Bond Index ETF *	140,000	12,776	13,146
Total Canadian Common Stock		14,148	14,321
Canadian Preferred Stock			
Communication Services			
BCE Inc. 2.75% Preferred	1,100	18	17
BCE Inc. 3.61% Preferred	5,390	84	90
BCE Inc. 4.13% Preferred	479	9	8

*The issuer of this security is a related company to the issuer of the Fund.

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Preferred Stock (continued)			
Consumer Staples			
Loblaw Companies Ltd. 5.30% Preferred	2,136	56	53
Energy			
TransAlta Corp. 4.027% Preferred	1,650	31	34
Financials			
Brookfield Corp. 4.80% Preferred Conv.	3,072	78	76
Utilities			
Emera Inc. 4.25% Preferred	526	13	12
Emera Inc. 4.60% Preferred	5,125	128	97
TransAlta Corp. 2.709% Preferred	2,810	35	44
Total Canadian Preferred Stock		452	431
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	2,411	60	57
Total Global Preferred Stock		60	57
Total Stocks		14,660	14,809

Tactical Bond Fund (PIM) SF558

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7056	January 24, 2025	United States Dollar	419	Canadian Dollar	414	5
0.7180	February 14, 2025	United States Dollar	1,020	Canadian Dollar	989	31
0.7236	February 14, 2025	United States Dollar	367	Canadian Dollar	354	13
Derivatives - Assets						49
1.3506	January 10, 2025	Canadian Dollar	2,712	United States Dollar	2,833	(121)
1.3870	January 10, 2025	Canadian Dollar	9,543	United States Dollar	9,784	(241)
1.3656	January 10, 2025	Canadian Dollar	9,307	United States Dollar	9,649	(342)
1.3761	January 17, 2025	Canadian Dollar	453	United States Dollar	467	(14)
1.3641	January 24, 2025	Canadian Dollar	218	United States Dollar	226	(8)
1.3640	January 24, 2025	Canadian Dollar	2,367	United States Dollar	2,455	(88)
1.3854	February 7, 2025	Canadian Dollar	2,075	United States Dollar	2,127	(52)
1.3859	February 7, 2025	Canadian Dollar	6,324	United States Dollar	6,483	(159)
1.3801	February 14, 2025	Canadian Dollar	8,596	United States Dollar	8,836	(240)
1.3923	February 21, 2025	Canadian Dollar	1,367	United States Dollar	1,396	(29)
1.4126	February 21, 2025	Canadian Dollar	5,348	United States Dollar	5,407	(59)
1.4025	February 28, 2025	Canadian Dollar	2,568	United States Dollar	2,609	(41)
1.3919	February 28, 2025	Canadian Dollar	6,922	United States Dollar	7,071	(149)
1.4269	April 9, 2025	Canadian Dollar	6,821	United States Dollar	6,840	(19)
Derivatives - Liabilities						(1,562)
Total Forward Currency Contracts						(1,513)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(57)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 6,778	CAD 118.91	37
Derivatives - Assets						37
Total Futures Contracts						37

Total Derivative Instruments at Fair Value

(1,476)

Transaction Costs (note 2)

(1)

Total Investments

601,173

602,182

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Tactical Bond Fund (PIM) SF558 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 4,562	\$ (25)	\$ 4,537	\$ 45
Other Currencies	—	2	2	—
Total	\$ 4,562	\$ (23)	\$ 4,539	\$ 45
As Percent of Net Assets Attributable to Contractholders			0.7%	—%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ (4,202)	\$ 3,204	\$ (998)	\$ (10)
Other Currencies	—	(79)	(79)	(1)
Total	\$ (4,202)	\$ 3,125	\$ (1,077)	\$ (11)
As Percent of Net Assets Attributable to Contractholders			(0.2%)	—%

*Includes both monetary and non-monetary instruments

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 37,596	\$ 144,347	\$ 198,659	\$ 208,247	\$ 588,849
2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 28,965	\$ 154,802	\$ 194,241	\$ 139,588	\$ 517,596

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$42,483 (\$35,127 at December 31, 2023) or approximately 6.8% (6.4% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	3.4	3.2	4.9	4.6
AA	39.8	37.5	28.3	26.6
A	18.5	17.6	33.0	30.9
BBB	27.7	26.1	25.8	24.1
BB and lower	10.4	9.8	7.7	7.2
NR *	0.2	0.2	0.3	0.3
Total	100.0	94.4	100.0	93.7

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$148 (\$146 at December 31, 2023) or approximately 0.0% (0.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 588,697	\$ 152	\$ 588,849
Stocks	14,809	—	—	14,809
Derivatives	36	50	—	86
Total assets measured at fair value	\$ 14,845	\$ 588,747	\$ 152	\$ 603,744
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 1,562	\$ —	\$ 1,562
Net assets attributable to contractholders measured at fair value	\$ 14,845	\$ 587,185	\$ 152	\$ 602,182

⁽¹⁾ Excludes collateral pledged to counterparties of \$1,466.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 517,391	\$ 205	\$ 517,596
Stocks	14,646	—	—	14,646
Derivatives	172	1,443	—	1,615
Total assets measured at fair value	\$ 14,818	\$ 518,834	\$ 205	\$ 533,857
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ 35	\$ 463	\$ —	\$ 498
Net assets attributable to contractholders measured at fair value	\$ 14,783	\$ 518,371	\$ 205	\$ 533,359

⁽¹⁾ Excludes collateral pledged to counterparties of \$1,708.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Tactical Bond Fund (PIM) SF558

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification (continued)

The following table presents additional information about assets measured at fair value on a recurring basis and for which the Fund has utilized Level 3 inputs to determine fair value:

	2024	2023
	Bonds	Bonds
Balance, beginning of year	\$ 205	\$ 224
Total gain (loss) included in net assets from operations attributable to contractholders	8	(19)
Purchases	—	—
Sales	(61)	—
Settlements	—	—
Transfers into Level 3	—	—
Transfers out of Level 3	—	—
Balance, end of year	\$ 152	\$ 205
Total gain (loss) included in net gain (loss) on investments for Level 3 assets held at the end of year	\$ 8	\$ (19)

Tactical Bond Fund (PIM) SF558

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	212,172	147,613	142,695	179,576	687,691	2,068	1,387	1,279	1,845	7,376
75/100 guarantee policy	868,876	573,690	472,909	278,443	341,010	8,431	5,375	4,232	2,858	3,655
100/100 guarantee policy	45,843	60,677	36,532	15,604	13,541	443	567	326	160	145
PS1 75/75 guarantee policy	163,873	106,877	97,373	57,864	25,319	1,649	1,032	891	603	274
PS1 75/100 guarantee policy	379,671	161,058	238,183	68,733	72,777	3,810	1,551	2,177	716	786
PS1 100/100 guarantee policy	15,011	135,020	97,509	3,199	3,199	150	1,294	888	33	35
PS2 75/75 guarantee policy	—	—	—	—	5,652	—	—	—	—	62
PS2 75/100 guarantee policy	18,129	26,139	27,330	29,835	31,713	196	267	261	321	348
PS 75/75 guarantee policy	5,916	3,263	3,267	2,677	—	59	31	30	28	—
PS 75/100 guarantee policy	63,607	60,192	50,840	35,397	27,571	635	577	463	368	297
PPS 75/75 guarantee policy	1,433	—	—	—	—	15	—	—	—	—
PPS 75/100 guarantee policy	21,094	21,978	13,382	11,932	11,994	218	217	124	126	130

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.75	9.40	8.97	10.28	10.73	0.35	0.43
75/100 guarantee policy	9.70	9.37	8.95	10.26	10.72	0.33	0.42
100/100 guarantee policy	9.66	9.34	8.93	10.25	10.71	0.32	0.41
PS1 75/75 guarantee policy	10.06	9.65	9.16	10.43	10.81	0.41	0.49
PS1 75/100 guarantee policy	10.04	9.63	9.14	10.41	10.80	0.41	0.49
PS1 100/100 guarantee policy	9.98	9.59	9.11	10.39	10.79	0.39	0.48
PS2 75/75 guarantee policy	—	—	—	—	10.98	—	—
PS2 75/100 guarantee policy	10.81	10.22	9.56	10.74	10.98	0.59	0.66
PS 75/75 guarantee policy	10.03	9.62	9.12	10.40	—	0.41	0.50
PS 75/100 guarantee policy	9.98	9.59	9.10	10.39	10.79	0.39	0.49
PPS 75/75 guarantee policy	10.36	—	—	—	—	0.48	—
PPS 75/100 guarantee policy	10.33	9.85	9.30	10.54	10.87	0.48	0.55

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Tactical Bond Fund (PIM) SF558

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Tactical Bond Fund (PIM) SF558

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.95	1.95	2.00	2.10	2.04
75/100 guarantee policy	2.06	2.06	2.07	2.14	2.09
100/100 guarantee policy	2.17	2.18	2.15	2.19	2.14
PS1 75/75 guarantee policy	1.38	1.38	1.37	1.39	1.37
PS1 75/100 guarantee policy	1.44	1.44	1.41	1.45	1.42
PS1 100/100 guarantee policy	1.55	1.55	1.54	1.57	1.52
PS 75/75 guarantee policy	1.40	1.40	1.43	1.51	—
PS 75/100 guarantee policy	1.51	1.51	1.52	1.58	1.54
PPS 75/75 guarantee policy	0.83	—	—	—	—
PPS 75/100 guarantee policy	0.88	0.89	0.88	0.89	0.88

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	72.66	73.67	84.23	70.06	51.90

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. EQUITY FUND (LC) SF559

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Equity Fund (LC) SF559 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Equity Fund (LC) SF559

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,979	\$ 1,054
Investment income due and accrued	14	28
Due from The Canada Life Assurance Company (note 8)	—	59
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	45,496	28,768
Investment fund units	—	—
Derivatives (note 7)	—	—
Total investments	45,496	28,768
Total assets	\$ 47,489	\$ 29,909
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Derivatives (note 7)	563	—
Total liabilities excluding net assets attributable to contractholders	563	—
Net assets attributable to contractholders	\$ 46,926	\$ 29,909

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 7,474	\$ 3,658
Miscellaneous income (loss)	26	2
Total income (loss)	7,500	3,660
Expenses		
Management fees (note 8)	941	584
Transaction costs	7	11
Withholding taxes	34	28
Other	101	62
Total expenses	1,083	685
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 6,417	\$ 2,975

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 29,909	\$ 21,357
Contractholder deposits	14,412	8,299
Contractholder withdrawals	(3,812)	(2,722)
Increase (decrease) in net assets from operations attributable to contractholders	6,417	2,975
Change in net assets attributable to contractholders	17,017	8,552
Net assets attributable to contractholders - end of year	\$ 46,926	\$ 29,909

U.S. Equity Fund (LC) SF559

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 6,417	\$ 2,975
Adjustments		
Realized (gains) losses	(1,908)	(485)
Unrealized (gains) losses	(5,203)	(2,894)
Gross proceeds of disposition of investments	13,952	9,022
Gross payments for the purchase of investments	(23,006)	(14,880)
Change in investment income due and accrued	14	(17)
Change in due from/to The Canada Life Assurance Company	59	(96)
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	(9,675)	(6,375)
Financing Activities		
Contractholder deposits	14,412	8,299
Contractholder withdrawals	(3,812)	(2,722)
	10,600	5,577
Net increase (decrease) in cash, short-term deposits and overdrafts	925	(798)
Cash, short-term deposits and overdrafts, beginning of year	1,054	1,852
Cash, short-term deposits and overdrafts, end of year	\$ 1,979	\$ 1,054
Supplementary cash flow information		
Dividend income received	\$ 315	\$ 228

U.S. Equity Fund (LC) SF559

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	3,113	567	847
Netflix Inc.	923	723	1,183
Consumer Discretionary			
Amazon.com Inc.	7,283	1,917	2,297
Consumer Staples			
Costco Wholesale Corp.	692	498	912
PepsiCo Inc.	1,869	417	409
Exchange Traded Funds			
SPDR S&P 500 ETF Trust	559	315	471
Financials			
MSCI Inc. Class A	1,245	1,109	1,074
S&P Global Inc.	1,974	1,037	1,414
The Progressive Corp.	3,775	739	1,301
Health Care			
IDEXX Laboratories Inc.	787	497	468
Intuitive Surgical Inc.	947	356	711
Stryker Corp.	3,395	1,704	1,758
Thermo Fisher Scientific Inc.	1,934	1,386	1,447
Industrials			
Copart Inc.	21,091	1,407	1,740
Danaher Corp.	2,215	665	731
Fastenal Co.	9,222	721	953
Verisk Analytics Inc. Class A	4,412	1,407	1,747
Waste Connections Inc.	2,676	685	660
Information Technology			
Amphenol Corp. Class A	16,052	1,208	1,603
Apple Inc.	6,927	1,786	2,493

U.S. Equity Fund (LC) SF559

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology (continued)			
Cadence Design Systems Inc.	3,516	1,343	1,519
Gartner Inc.	2,220	1,096	1,546
Intuit Inc.	785	631	709
Keysight Technologies Inc.	3,855	768	890
Mastercard Inc. Class A	1,845	1,209	1,397
Microsoft Corp.	4,039	1,610	2,448
Motorola Solutions Inc.	715	416	475
Roper Technologies Inc.	2,699	1,632	2,017
Materials			
The Sherwin-Williams Co.	877	477	429
Total United States Common Stock		28,326	35,649
Global Common Stock			
France			
Schneider Electric SE	3,868	931	1,388
Ireland			
Accenture PLC Class A	2,768	1,143	1,400
Aon PLC	4,363	1,618	2,253
Linde PLC	2,464	1,172	1,483
Trane Technologies PLC	2,670	700	1,418
Netherlands			
Ferrari NV	944	474	577
Switzerland			
Alcon Inc. ADR	10,881	1,111	1,328
Total Global Common Stock		7,149	9,847
Total Stocks		35,475	45,496

U.S. Equity Fund (LC) SF559
Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
1.3883	January 10, 2025	Canadian Dollar	623	United States Dollar	638	(15)
1.3511	January 10, 2025	Canadian Dollar	6,700	United States Dollar	6,999	(299)
1.3856	February 7, 2025	Canadian Dollar	776	United States Dollar	795	(19)
1.3824	February 14, 2025	Canadian Dollar	1,123	United States Dollar	1,153	(30)
1.3929	February 14, 2025	Canadian Dollar	7,836	United States Dollar	8,003	(167)
1.3922	February 28, 2025	Canadian Dollar	743	United States Dollar	759	(16)
1.3949	February 28, 2025	Canadian Dollar	897	United States Dollar	914	(17)
Derivatives - Liabilities						(563)
Total Forward Currency Contracts						(563)

Total Derivative Instruments at Fair Value (563)

Transaction Costs (note 2) (11)

Total Investments 35,464 44,933

U.S. Equity Fund (LC) SF559

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the U.S. Equity Fund (LC) SF559 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

U.S. Equity Fund (LC) SF559

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 30,527	\$ 34	\$ 30,561	\$ 305
Other Currencies	1,388	—	1,388	14
Total	\$ 31,915	\$ 34	\$ 31,949	\$ 319
As Percent of Net Assets Attributable to Contractholders				68.1%
				0.7%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 27,574	\$ 73	\$ 27,647	\$ 276
Other Currencies	1,194	—	1,194	12
Total	\$ 28,768	\$ 73	\$ 28,841	\$ 288
As Percent of Net Assets Attributable to Contractholders				96.4%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$455 (\$288 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

U.S. Equity Fund (LC) SF559

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Stocks		\$ 45,496	\$ —	\$ —	\$ 45,496
Total assets measured at fair value		\$ 45,496	\$ —	\$ —	\$ 45,496
<u>Liabilities measured at fair value</u>					
Derivatives		\$ —	\$ 563	\$ —	\$ 563
Net assets attributable to contractholders measured at fair value		\$ 45,496	\$ (563)	\$ —	\$ 44,933

		2023			
		Assets Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Stocks		\$ 28,768	\$ —	\$ —	\$ 28,768
Total assets measured at fair value		\$ 28,768	\$ —	\$ —	\$ 28,768
<u>Liabilities measured at fair value</u>					
Derivatives		\$ —	\$ —	\$ —	\$ —
Net assets attributable to contractholders measured at fair value		\$ 28,768	\$ —	\$ —	\$ 28,768

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

U.S. Equity Fund (LC) SF559

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	458,422	412,487	404,906	250,044	363,845	7,203	5,480	4,783	3,650	4,172
75/100 guarantee policy	763,461	634,048	493,500	410,057	207,655	11,859	8,346	5,790	5,957	2,375
100/100 guarantee policy	51,057	37,066	41,168	33,104	19,155	782	482	479	478	218
PS1 75/75 guarantee policy	400,060	272,607	202,957	104,609	28,948	6,437	3,691	2,433	1,542	334
PS1 75/100 guarantee policy	1,103,174	714,818	480,358	257,729	101,279	17,498	9,568	5,708	3,777	1,164
PS1 100/100 guarantee policy	63,738	63,330	84,169	13,996	5,596	991	834	988	203	64
PS2 75/75 guarantee policy	15,194	15,150	6,670	12,483	—	275	226	86	193	—
PS2 75/100 guarantee policy	36,641	23,875	26,944	25,200	3,776	663	355	347	390	45
PS 75/75 guarantee policy	5,086	4,659	7,469	4,889	6,659	85	65	91	73	77
PS 75/100 guarantee policy	19,993	12,992	10,009	10,414	877	329	179	122	155	10
PPS 75/75 guarantee policy	27,139	23,771	20,893	19,945	16,829	462	337	259	301	196
PPS 75/100 guarantee policy	20,386	24,670	21,997	13,255	4,006	342	346	271	199	47

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.71	13.28	11.81	14.60	11.47	2.43	1.47
75/100 guarantee policy	15.53	13.16	11.73	14.53	11.44	2.37	1.43
100/100 guarantee policy	15.31	13.01	11.63	14.44	11.40	2.30	1.38
PS1 75/75 guarantee policy	16.09	13.54	11.99	14.74	11.53	2.55	1.55
PS1 75/100 guarantee policy	15.86	13.39	11.88	14.66	11.49	2.47	1.51
PS1 100/100 guarantee policy	15.55	13.17	11.74	14.53	11.44	2.38	1.43
PS2 75/75 guarantee policy	18.09	14.88	12.88	15.48	—	3.21	2.00
PS2 75/100 guarantee policy	18.09	14.88	12.88	15.48	11.83	3.21	2.00
PS 75/75 guarantee policy	16.64	13.91	12.23	14.95	11.61	2.73	1.68
PS 75/100 guarantee policy	16.45	13.78	12.15	14.88	11.58	2.67	1.63
PPS 75/75 guarantee policy	17.04	14.18	12.41	15.10	11.67	2.86	1.77
PPS 75/100 guarantee policy	16.79	14.02	12.31	15.01	11.64	2.77	1.71

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

U.S. Equity Fund (LC) SF559

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Equity Fund (LC) SF559

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.75	2.72	2.73	2.75	2.70
75/100 guarantee policy	2.97	2.94	2.96	2.96	2.90
100/100 guarantee policy	3.25	3.22	3.23	3.24	3.20
PS1 75/75 guarantee policy	2.28	2.26	2.26	2.29	2.24
PS1 75/100 guarantee policy	2.56	2.54	2.54	2.55	2.51
PS1 100/100 guarantee policy	2.95	2.92	2.95	2.96	2.91
PS 75/75 guarantee policy	1.63	1.62	1.62	1.64	1.59
PS 75/100 guarantee policy	1.86	1.84	1.85	1.86	1.83
PPS 75/75 guarantee policy	1.17	1.16	1.17	1.17	1.14
PPS 75/100 guarantee policy	1.45	1.43	1.44	1.44	1.42

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	35.78	36.38	100.48	102.29	64.76

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. MID CAP EQUITY FUND (LC) SF560

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Mid Cap Equity Fund (LC) SF560 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Mid Cap Equity Fund (LC) SF560

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 2,783	\$ 1,622
Investment income due and accrued	4	10
Due from The Canada Life Assurance Company (note 7)	11	—
Due from brokers	—	33
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	46,673	34,165
Investment fund units	—	—
Total investments	46,673	34,165
Total assets	\$ 49,471	\$ 35,830
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	11
Due to brokers	—	99
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	110
Net assets attributable to contractholders	\$ 49,471	\$ 35,720

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,174	\$ 4,298
Miscellaneous income (loss)	53	(28)
Total income (loss)	6,227	4,270
Expenses		
Management fees (note 7)	953	752
Transaction costs	17	9
Withholding taxes	21	26
Other	97	75
Total expenses	1,088	862
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 5,139	\$ 3,408

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 35,720	\$ 30,546
Contractholder deposits	13,684	5,204
Contractholder withdrawals	(5,072)	(3,438)
Increase (decrease) in net assets from operations attributable to contractholders	5,139	3,408
Change in net assets attributable to contractholders	13,751	5,174
Net assets attributable to contractholders - end of year	\$ 49,471	\$ 35,720

U.S. Mid Cap Equity Fund (LC) SF560

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 5,139	\$ 3,408
Adjustments		
Realized (gains) losses	(1,894)	1,179
Unrealized (gains) losses	(4,058)	(5,231)
Gross proceeds of disposition of investments	15,588	8,007
Gross payments for the purchase of investments	(22,144)	(8,758)
Change in investment income due and accrued	6	2
Change in due from/to The Canada Life Assurance Company	(22)	—
Change in due from/to brokers	(66)	66
Change in due from/to outside parties	—	—
	(7,451)	(1,327)
Financing Activities		
Contractholder deposits	13,684	5,204
Contractholder withdrawals	(5,072)	(3,438)
	8,612	1,766
Net increase (decrease) in cash, short-term deposits and overdrafts	1,161	439
Cash, short-term deposits and overdrafts, beginning of year	1,622	1,183
Cash, short-term deposits and overdrafts, end of year	\$ 2,783	\$ 1,622
Supplementary cash flow information		
Dividend income received	\$ 150	\$ 195

U.S. Mid Cap Equity Fund (LC) SF560

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock			
Consumer Discretionary			
Bright Horizons Family Solutions Inc.	2,417	357	385
Consumer Staples			
e.l.f. Beauty Inc.	9,772	1,466	1,764
Financials			
Markel Group Inc.	326	508	809
The Progressive Corp.	4,637	706	1,598
Toast Inc.	2,658	89	139
Health Care			
Amedisys Inc.	3,218	554	420
Bio-Techne Corp.	22,680	2,445	2,349
Charles River Laboratories International Inc.	8,243	2,655	2,188
DexCom Inc.	24,347	2,779	2,721
Exact Sciences Corp.	21,946	1,553	1,773
HealthEquity Inc.	14,884	1,430	2,053
Hologic Corp.	19,100	2,006	1,980
Lantheus Holdings Inc.	1,911	246	246
Waters Corp.	2,489	905	1,328
Industrials			
Core & Main Inc.	527	36	39
CoStar Group Inc.	22,293	2,255	2,295
Equifax Inc.	2,433	678	892
Generac Holdings Inc.	3,001	502	669
Wabtec Corp.	5,422	661	1,478
Information Technology			
Akamai Technologies Inc.	17,718	2,426	2,436
Broadridge Financial Solutions Inc.	3,960	818	1,287
Cirrus Logic Inc.	15,117	1,826	2,164
Cognex Corp.	14,907	828	769
Dolby Laboratories Inc.	6,233	705	700

U.S. Mid Cap Equity Fund (LC) SF560

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Information Technology (continued)			
DoubleVerify Holdings Inc.	2,186	89	60
Exlservice Holdings Inc.	30,085	1,226	1,920
Gartner Inc.	1,137	515	792
Jack Henry & Associates Inc.	7,267	1,670	1,832
Keysight Technologies Inc.	6,933	1,345	1,601
MAXIMUS Inc.	17,847	1,877	1,916
SS&C Technologies Holdings Inc.	21,841	1,874	2,380
Tenable Holdings Inc.	24,796	1,554	1,404
Vontier Corp.	43,590	1,864	2,286
Total United States Common Stock		40,448	46,673
Total Stocks		40,448	46,673
Transaction Costs (note 2)		(18)	
Total Investments		40,430	46,673

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the U.S. Mid Cap Equity Fund (LC) SF560 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 46,673	\$ —	\$ 46,673	\$ 467
Total	\$ 46,673	\$ —	\$ 46,673	\$ 467
As Percent of Net Assets Attributable to Contractholders				94.3%
				0.9%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 34,165	\$ 1,269	\$ 35,434	\$ 354
Total	\$ 34,165	\$ 1,269	\$ 35,434	\$ 354
As Percent of Net Assets Attributable to Contractholders				99.2%
				1.0%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$467 (\$342 at December 31, 2023) or approximately 0.9% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 46,673	\$ —	\$ —	\$ 46,673
Total assets measured at fair value	\$ 46,673	\$ —	\$ —	\$ 46,673

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Stocks	\$ 34,165	\$ —	\$ —	\$ 34,165
Total assets measured at fair value	\$ 34,165	\$ —	\$ —	\$ 34,165

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

U.S. Mid Cap Equity Fund (LC) SF560

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	538,296	408,653	399,131	287,750	280,905	7,677	5,167	4,565	4,112	3,245
75/100 guarantee policy	881,736	813,166	857,354	897,046	259,082	12,363	10,141	9,704	12,726	2,982
100/100 guarantee policy	23,067	21,425	19,618	15,912	7,824	316	262	219	224	90
PS1 75/75 guarantee policy	541,795	445,941	374,485	382,368	22,130	7,934	5,759	4,353	5,525	257
PS1 75/100 guarantee policy	904,060	662,943	618,886	625,055	130,656	13,052	8,464	7,132	8,977	1,513
PS1 100/100 guarantee policy	60,442	15,353	15,353	20,071	—	853	192	175	285	—
PS2 75/75 guarantee policy	45,847	35,359	31,919	56,368	52,186	756	503	399	856	623
PS2 75/100 guarantee policy	128,069	154,795	120,207	85,362	984	2,113	2,201	1,503	1,297	12
PS 75/75 guarantee policy	28,153	22,336	25,340	18,939	6,132	425	296	300	277	72
PS 75/100 guarantee policy	42,832	46,291	34,872	15,548	9,619	636	604	409	226	112
PPS 75/75 guarantee policy	78,185	75,236	70,905	58,019	4,261	1,212	1,017	854	858	50
PPS 75/100 guarantee policy	80,663	78,402	76,472	62,000	1,377	1,233	1,048	912	912	16
PPS 100/100 guarantee policy	60,323	5,042	1,778	30,616	—	901	66	21	446	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.26	12.64	11.44	14.29	11.55	1.62	1.20
75/100 guarantee policy	14.02	12.47	11.32	14.19	11.51	1.55	1.15
100/100 guarantee policy	13.71	12.25	11.17	14.06	11.45	1.46	1.08
PS1 75/75 guarantee policy	14.64	12.92	11.62	14.45	11.62	1.72	1.30
PS1 75/100 guarantee policy	14.44	12.77	11.52	14.36	11.58	1.67	1.25
PS1 100/100 guarantee policy	14.11	12.54	11.36	14.23	—	1.57	1.18
PS2 75/75 guarantee policy	16.50	14.22	12.50	15.19	11.93	2.28	1.72
PS2 75/100 guarantee policy	16.50	14.22	12.50	15.19	11.93	2.28	1.72
PS 75/75 guarantee policy	15.10	13.23	11.84	14.63	11.70	1.87	1.39
PS 75/100 guarantee policy	14.84	13.06	11.72	14.53	11.66	1.78	1.34
PPS 75/75 guarantee policy	15.50	13.52	12.04	14.80	11.77	1.98	1.48
PPS 75/100 guarantee policy	15.28	13.36	11.93	14.71	11.73	1.92	1.43
PPS 100/100 guarantee policy	14.94	13.12	11.77	14.57	—	1.82	1.35

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

U.S. Mid Cap Equity Fund (LC) SF560

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

U.S. Mid Cap Equity Fund (LC) SF560

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.84	2.81	2.80	2.85	2.81
75/100 guarantee policy	3.17	3.14	3.14	3.19	3.12
100/100 guarantee policy	3.61	3.57	3.55	3.63	3.56
PS1 75/75 guarantee policy	2.33	2.30	2.30	2.34	2.29
PS1 75/100 guarantee policy	2.60	2.58	2.57	2.62	2.58
PS1 100/100 guarantee policy	3.05	3.01	3.01	3.07	—
PS 75/75 guarantee policy	1.73	1.72	1.71	1.73	1.70
PS 75/100 guarantee policy	2.07	2.05	2.03	2.07	2.03
PPS 75/75 guarantee policy	1.22	1.21	1.20	1.21	1.20
PPS 75/100 guarantee policy	1.50	1.48	1.47	1.50	1.48
PPS 100/100 guarantee policy	1.94	1.92	1.97	1.95	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	35.42	24.61	39.86	71.94	68.11

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL LOW VOL FUND (ILIM) SF561

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Low Vol Fund (ILIM) SF561 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Low Vol Fund (ILIM) SF561

(in Canadian \$ thousands)

Fund Manager: Irish Life Investment Managers Limited (ILIM)

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 587	\$ 462
Investment income due and accrued	20	22
Due from The Canada Life Assurance Company (note 7)	3	2
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	23,806	16,261
Investment fund units	—	—
Total investments	23,806	16,261
Total assets	\$ 24,416	\$ 16,747
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 24,416	\$ 16,747

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 4,132	\$ 1,131
Miscellaneous income (loss)	5	(8)
Total income (loss)	4,137	1,123
Expenses		
Management fees (note 7)	197	138
Transaction costs	7	6
Withholding taxes	63	45
Other	19	14
Total expenses	286	203
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 3,851	\$ 920

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 16,747	\$ 5,327
Contractholder deposits	5,565	12,145
Contractholder withdrawals	(1,747)	(1,645)
Increase (decrease) in net assets from operations attributable to contractholders	3,851	920
Change in net assets attributable to contractholders	7,669	11,420
Net assets attributable to contractholders - end of year	\$ 24,416	\$ 16,747

Global Low Vol Fund (ILIM) SF561

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 3,851	\$ 920
Adjustments		
Realized (gains) losses	(1,103)	(114)
Unrealized (gains) losses	(2,508)	(650)
Gross proceeds of disposition of investments	9,834	7,076
Gross payments for the purchase of investments	(13,768)	(17,359)
Change in investment income due and accrued	2	(18)
Change in due from/to The Canada Life Assurance Company	(1)	41
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	(3,693)	(10,104)
Financing Activities		
Contractholder deposits	5,565	12,145
Contractholder withdrawals	(1,747)	(1,645)
	3,818	10,500
Net increase (decrease) in cash, short-term deposits and overdrafts	125	396
Cash, short-term deposits and overdrafts, beginning of year	462	66
Cash, short-term deposits and overdrafts, end of year	\$ 587	\$ 462
Supplementary cash flow information		
Dividend income received	\$ 505	\$ 343

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Financials			
Manulife Financial Corp.	6,252	172	276
Total Canadian Common Stock		172	276
United States Common Stock			
Communication Services			
Alphabet Inc. Class A	1,267	194	345
AT&T Inc.	8,879	273	291
Comcast Corp. Class A	3,866	211	209
Meta Platforms Inc.	147	96	124
Verizon Communications Inc.	4,560	255	262
Consumer Discretionary			
Amazon.com Inc.	1,082	195	341
AutoZone Inc.	25	82	115
Best Buy Co. Inc.	1,586	157	196
D.R. Horton Inc.	129	29	26
eBay Inc.	1,621	143	144
Lowe's Companies Inc.	540	153	192
O'Reilly Automotive Inc.	40	45	68
PulteGroup Inc.	1,156	122	181
Tesla Inc.	70	34	41
The Home Depot Inc.	506	214	283
The TJX Companies Inc.	1,692	199	294
Ulta Beauty Inc.	47	26	29
Consumer Staples			
CVS Health Corp.	3,350	292	216
PepsiCo Inc.	103	23	23
The Coca-Cola Co.	2,866	242	257
The Kroger Co.	3,518	222	309
The Procter & Gamble Co.	1,185	246	286
Walmart Inc.	2,324	164	302

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Energy			
Chevron Corp.	826	191	172
Chord Energy Corp.	225	42	38
Exxon Mobil Corp.	759	110	117
Halliburton Co.	520	25	20
Marathon Petroleum Corp.	1,046	184	210
Schlumberger Ltd.	2,778	178	153
Valero Energy Corp.	1,012	179	178
Exchange Traded Funds			
Vanguard FTSE Developed Markets ETF	5,734	397	394
Vanguard S&P 500 ETF	774	568	600
Financials			
Aflac Inc.	1,516	174	225
Gaming and Leisure Properties Inc.	2,872	205	199
Northern Trust Corp.	1,878	214	277
Synchrony Financial	2,591	116	242
T. Rowe Price Group Inc.	851	142	138
The Bank of New York Mellon Corp.	2,603	159	288
Health Care			
Abbott Laboratories	1,049	172	171
AbbVie Inc.	1,184	241	303
Bristol-Myers Squibb Co.	3,249	275	264
Cardinal Health Inc.	1,684	227	286
Cencora Inc.	832	225	269
Gilead Sciences Inc.	2,286	231	304
Johnson & Johnson Inc.	1,323	291	275
McKesson Corp.	306	138	251
Merck & Co. Inc.	166	24	24
Regeneron Pharmaceuticals Inc.	188	208	193
Solventum Corp.	2,031	192	193
The Cigna Group	549	220	218
UnitedHealth Group Inc.	30	20	22

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Industrials			
Deere & Co.	473	293	288
Expeditors International of Washington Inc.	1,206	205	192
W. W. Grainger Inc.	146	160	221
Information Technology			
Apple Inc.	3,366	898	1,211
Automatic Data Processing Inc.	678	223	285
Cisco Systems Inc.	3,525	223	300
Cognizant Technology Solutions Corp.	1,462	135	162
HP Inc.	4,736	191	222
IBM Corp.	191	41	60
Mastercard Inc. Class A	394	221	298
Microsoft Corp.	1,631	787	987
NVIDIA Corp.	2,842	262	549
Visa Inc. Class A	659	204	299
Materials			
CF Industries Holdings Inc.	857	93	105
Nucor Corp.	361	73	61
Steel Dynamics Inc.	198	36	32
Real Estate			
Public Storage REIT	445	172	192
Simon Property Group Inc.	1,120	240	277
VICI Properties Inc. REIT	6,310	253	265
Utilities			
Exelon Corp.	2,161	117	117
Total United States Common Stock		13,792	16,681
Global Common Stock			
Cayman Islands			
CK Asset Holdings Ltd.	25,500	178	151

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Cayman Islands (continued)			
WH Group Ltd.	44,442	39	49
Denmark			
A.P. Moller - Maersk AS Class B	16	38	38
Finland			
Nokia OYJ	42,676	237	271
France			
Carrefour SA	13,189	281	270
Germany			
Allianz SE	106	45	47
E.ON SE	16,647	302	279
Fresenius SE & Co. KGaA	580	23	29
Hong Kong			
BOC Hong Kong Holdings Ltd.	10,000	46	46
Sino Land Co. Ltd.	35,345	59	51
Sun Hung Kai Properties Ltd.	7,500	130	104
Ireland			
Accenture PLC Class A	494	192	250
AIB Group PLC	30,691	233	244
Bank of Ireland Group PLC	8,630	107	113
Linde PLC	372	232	224
Israel			
Bank Hapoalim BM	18,378	208	320
Mizrahi Tefahot Bank Ltd.	3,188	152	199
Japan			
Brother Industries Ltd.	8,200	192	200
Canon Inc.	5,800	193	271

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Japan (continued)			
Daito Trust Construction Co. Ltd.	1,600	225	256
Daiwa House Industry Co. Ltd.	1,700	66	75
Fujitsu Ltd.	2,300	46	58
KDDI Corp.	5,300	219	243
Komatsu Ltd.	2,500	93	99
MEIJI Holdings Co. Ltd.	5,700	182	167
Ono Pharmaceutical Co. Ltd.	12,900	215	192
SECOM Co. Ltd.	1,600	74	78
Seiko Epson Corp.	10,300	214	267
Shionogi & Co. Ltd.	1,300	27	26
Subaru Corp.	8,500	198	215
Netherlands			
Koninklijke Ahold Delhaize NV	5,900	255	277
Stellantis NV	4,861	136	92
Singapore			
DBS Group Holdings Ltd.	2,460	87	113
Spain			
Repsol SA	1,994	38	35
Sweden			
Investor AB	7,589	281	288
Switzerland			
Bunge Global SA	1,212	174	136
Novartis AG	1,972	266	276
Roche Holding AG	627	260	252
United Kingdom			
3i Group PLC	2,390	83	153
Barclays PLC	26,507	103	128

Global Low Vol Fund (ILIM) SF561

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
United Kingdom (continued)			
Centrica PLC	28,418	71	68
GSK PLC	8,209	209	199
Total Global Common Stock		6,409	6,849
Total Stocks		20,373	23,806
Transaction Costs (note 2)		(7)	
Total Investments		20,366	23,806

Global Low Vol Fund (ILIM) SF561

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Low Vol Fund (ILIM) SF561 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Low Vol Fund (ILIM) SF561

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 17,292	\$ 15	\$ 17,307	\$ 173
Japanese Yen	2,147	—	2,147	21
Euro	1,655	—	1,655	17
Other Currencies	2,435	3	2,438	24
Total	\$ 23,529	\$ 18	\$ 23,547	\$ 235
As Percent of Net Assets Attributable to Contractholders			96.4%	1.0%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 11,238	\$ 27	\$ 11,265	\$ 113
Japanese Yen	1,505	14	1,519	15
Euro	1,481	1	1,482	15
Other Currencies	1,608	4	1,612	16
Total	\$ 15,832	\$ 46	\$ 15,878	\$ 159
As Percent of Net Assets Attributable to Contractholders			94.8%	0.9%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$238 (\$163 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Low Vol Fund (ILIM) SF561

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	20,087	\$ 3,719	\$ —	\$ 23,806
Total assets measured at fair value	\$	20,087	\$ 3,719	\$ —	\$ 23,806

		2023			
		Assets Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	15,900	\$ 361	\$ —	\$ 16,261
Total assets measured at fair value	\$	15,900	\$ 361	\$ —	\$ 16,261

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 2 at December 31, 2023).

Global Low Vol Fund (ILIM) SF561

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	79,699	64,791	62,064	209,994	532,118	1,101	749	676	2,409	5,366
75/100 guarantee policy	242,233	201,793	172,202	120,939	102,312	3,320	2,317	1,867	1,383	1,030
100/100 guarantee policy	5,724	6,442	8,747	12,736	12,831	77	73	94	144	129
PS1 75/75 guarantee policy	113,573	63,057	52,069	26,024	14,855	1,607	743	576	302	150
PS1 75/100 guarantee policy	272,344	145,013	136,909	81,934	44,785	3,810	1,693	1,503	945	453
PS1 100/100 guarantee policy	11,071	9,103	11,390	9,910	246	152	105	124	113	2
PS2 75/75 guarantee policy	12,008	548	1,075	126	—	193	7	13	2	—
PS2 75/100 guarantee policy	11,788	21,413	21,997	12,302	10,922	189	279	263	150	114
PS 75/75 guarantee policy	923	208	393	625	474	14	3	4	7	5
PS 75/100 guarantee policy	12,556	12,281	7,254	5,437	6,122	182	148	81	64	62
PPS 75/75 guarantee policy	3,352	3,390	1,972	2,117	2,211	50	42	23	25	23
PPS 75/100 guarantee policy	21,063	18,948	9,063	9,155	2,396	312	232	103	108	24

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.82	11.56	10.90	11.47	10.08	2.26	0.66
75/100 guarantee policy	13.71	11.48	10.84	11.43	10.07	2.23	0.64
100/100 guarantee policy	13.44	11.30	10.71	11.34	10.02	2.14	0.59
PS1 75/75 guarantee policy	14.15	11.78	11.06	11.59	10.14	2.37	0.72
PS1 75/100 guarantee policy	13.99	11.67	10.98	11.53	10.11	2.32	0.69
PS1 100/100 guarantee policy	13.75	11.51	10.86	11.45	10.07	2.24	0.65
PS2 75/75 guarantee policy	16.04	13.04	11.95	12.21	—	3.00	1.09
PS2 75/100 guarantee policy	16.04	13.04	11.95	12.21	10.42	3.00	1.09
PS 75/75 guarantee policy	14.64	12.11	11.29	11.75	10.21	2.53	0.82
PS 75/100 guarantee policy	14.51	12.02	11.23	11.71	10.19	2.49	0.79
PPS 75/75 guarantee policy	14.98	12.34	11.45	11.87	10.27	2.64	0.89
PPS 75/100 guarantee policy	14.81	12.22	11.37	11.81	10.24	2.59	0.85

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Low Vol Fund (ILIM) SF561

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Irish Life Investment Managers Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Low Vol Fund (ILIM) SF561

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.88	2.87	2.99	2.95	2.87
75/100 guarantee policy	3.04	3.02	3.08	3.10	3.01
100/100 guarantee policy	3.41	3.39	3.48	3.49	3.38
PS1 75/75 guarantee policy	2.43	2.41	2.45	2.46	2.41
PS1 75/100 guarantee policy	2.65	2.63	2.68	2.69	2.61
PS1 100/100 guarantee policy	2.98	2.96	3.02	3.04	2.96
PS 75/75 guarantee policy	1.80	1.78	1.81	1.81	1.76
PS 75/100 guarantee policy	1.94	1.93	1.97	1.97	1.93
PPS 75/75 guarantee policy	1.32	1.32	1.35	1.35	1.30
PPS 75/100 guarantee policy	1.54	1.54	1.57	1.56	1.54

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	48.84	55.15	96.29	60.96	65.74

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
AMERICAN EQUITY FUND (BG) SF562

December 31, 2024

Independent Auditor's Report

To the Contractholders of American Equity Fund (BG) SF562 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

American Equity Fund (BG) SF562

(in Canadian \$ thousands)

Fund Manager: Beutel, Goodman & Company Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 268	\$ 53
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	126,149	166,914
Total investments	126,149	166,914
Total assets	\$ 126,417	\$ 166,967
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	60	44
Due to brokers	—	2
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	60	46
Net assets attributable to contractholders	\$ 126,357	\$ 166,921

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 40,778	\$ 13,757
Miscellaneous income (loss)	—	—
Total income (loss)	40,778	13,757
Expenses		
Management fees (note 8)	2,433	1,501
Other	285	173
Total expenses	2,718	1,674
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 38,060	\$ 12,083

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 166,921	\$ 121,193
Contractholder deposits	38,387	49,237
Contractholder withdrawals	(117,011)	(15,592)
Increase (decrease) in net assets from operations attributable to contractholders	38,060	12,083
Change in net assets attributable to contractholders	(40,564)	45,728
Net assets attributable to contractholders - end of year	\$ 126,357	\$ 166,921

American Equity Fund (BG) SF562

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 38,060	\$ 12,083
Adjustments		
Realized (gains) losses	(23,694)	(37)
Unrealized (gains) losses	(5,516)	(10,124)
Gross proceeds of disposition of investments	109,041	10,287
Gross payments for the purchase of investments	(27,498)	(42,576)
Distribution income of underlying mutual fund	(11,568)	(3,596)
Change in due from/to The Canada Life Assurance Company	16	374
Change in due from/to brokers	(2)	(252)
	<u>78,839</u>	<u>(33,841)</u>
Financing Activities		
Contractholder deposits	38,387	49,237
Contractholder withdrawals	(117,011)	(15,592)
	<u>(78,624)</u>	<u>33,645</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	215	(196)
Cash, short-term deposits and overdrafts, beginning of year	53	249
Cash, short-term deposits and overdrafts, end of year	\$ 268	\$ 53

American Equity Fund (BG) SF562

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Beutel Goodman American Equity Fund Class I	5,786,586	113,111	126,149
Total Investments		113,111	126,149

Top 25 Holdings

Security Description	% of Total
Gen Digital Inc.	4.97%
eBay Inc.	4.67%
Merck & Co. Inc.	4.66%
American Express Co.	4.65%
Amdocs Ltd.	4.48%
Comcast Corp. Class A	4.34%
Kimberly-Clark Corp.	4.22%
PPG Industries Inc.	4.19%
Qualcomm Inc.	4.01%
Medtronic Co. PLC	3.97%
NetApp Inc.	3.95%
Amgen Inc.	3.56%
Omnicom Group Inc.	3.21%
The Campbell's Company	3.20%
Chubb Ltd.	3.09%
Ameriprise Financial Inc.	3.01%
Biogen Inc.	2.97%
The Interpublic Group of Companies Inc.	2.92%
BlackRock Inc.	2.66%
Harley-Davidson Inc.	2.66%
SEI Investments Co.	2.61%
Cummins Inc.	2.48%
Wabtec Corp.	2.42%
Masco Corp.	2.30%
Gentex Corp.	2.04%

American Equity Fund (BG) SF562

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	908,784	827,481	468,388	224,641	183,852	14,613	11,256	5,987	2,696	1,991
75/100 guarantee policy	1,674,023	1,537,248	933,175	486,862	357,338	26,611	20,718	11,844	5,814	3,859
100/100 guarantee policy	102,675	117,946	37,336	4,725	5,548	1,604	1,568	469	56	60
PS1 75/75 guarantee policy	1,175,080	993,236	503,047	246,996	147,041	19,386	13,792	6,532	2,996	1,601
PS1 75/100 guarantee policy	2,568,978	1,679,849	1,111,685	355,009	197,372	41,777	23,059	14,308	4,280	2,143
PS1 100/100 guarantee policy	174,610	55,234	121,886	3,632	—	2,757	739	1,535	43	—
PS2 75/75 guarantee policy	241,407	201,824	125,827	41,318	4,569	4,470	3,069	1,746	523	51
PS2 75/100 guarantee policy	237,182	235,606	98,310	2,183	—	4,391	3,583	1,364	28	—
PS2 100/100 guarantee policy	7,642	7,536	—	—	—	142	115	—	—	—
PS 75/75 guarantee policy	63,920	43,731	14,516	9,217	—	1,078	617	190	112	—
PS 75/100 guarantee policy	176,585	115,368	48,930	9,844	11,913	2,973	1,629	643	120	130
PS 100/100 guarantee policy	272	—	—	—	—	5	—	—	—	—
PPS 75/75 guarantee policy	108,654	44,941	12,606	8,136	8,181	1,898	654	170	101	90
PPS 75/100 guarantee policy	270,104	168,287	37,057	18,920	12,039	4,652	2,419	494	234	132
PPS 100/100 guarantee policy	—	—	—	3,964	4,537	—	—	—	49	50

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.08	13.60	12.78	12.00	10.83	2.48	0.82
75/100 guarantee policy	15.90	13.48	12.69	11.94	10.80	2.42	0.79
100/100 guarantee policy	15.63	13.29	12.56	11.86	10.76	2.34	0.73
PS1 75/75 guarantee policy	16.50	13.89	12.98	12.13	10.89	2.61	0.91
PS1 75/100 guarantee policy	16.26	13.73	12.87	12.06	10.86	2.53	0.86
PS1 100/100 guarantee policy	15.79	13.38	12.59	11.84	—	2.41	0.79
PS2 75/75 guarantee policy	18.52	15.21	13.88	12.65	11.08	3.31	1.33
PS2 75/100 guarantee policy	18.51	15.21	13.88	12.65	—	3.30	1.33
PS2 100/100 guarantee policy	18.51	15.21	—	—	—	3.30	1.33
PS 75/75 guarantee policy	16.87	14.11	13.11	12.17	—	2.76	1.00
PS 75/100 guarantee policy	16.84	14.12	13.15	12.23	10.94	2.72	0.97
PS 100/100 guarantee policy	16.39	—	—	—	—	2.60	—
PPS 75/75 guarantee policy	17.47	14.54	13.45	12.42	11.03	2.93	1.09
PPS 75/100 guarantee policy	17.22	14.38	13.33	12.35	10.99	2.84	1.05
PPS 100/100 guarantee policy	—	—	—	12.25	10.95	—	—

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The American Equity Fund (BG) SF562 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

American Equity Fund (BG) SF562

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

American Equity Fund (BG) SF562

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.96	2.93	2.95	2.96	2.87
75/100 guarantee policy	3.19	3.15	3.18	3.18	3.09
100/100 guarantee policy	3.52	3.49	3.51	3.53	3.41
PS1 75/75 guarantee policy	2.46	2.44	2.46	2.46	2.39
PS1 75/100 guarantee policy	2.74	2.71	2.74	2.74	2.66
PS1 100/100 guarantee policy	3.13	3.10	3.13	3.14	—
PS 75/75 guarantee policy	1.84	1.82	1.82	1.83	—
PS 75/100 guarantee policy	2.06	2.04	2.06	2.07	1.99
PS 100/100 guarantee policy	2.43	—	—	—	—
PPS 75/75 guarantee policy	1.34	1.33	1.33	1.34	1.28
PPS 75/100 guarantee policy	1.62	1.60	1.60	1.62	1.55
PPS 100/100 guarantee policy	—	—	—	2.01	1.95

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.49	2.47	2.49	2.49	2.43
PS1 75/100 guarantee policy	2.77	2.74	2.77	2.77	2.70
PS1 100/100 guarantee policy	3.16	3.13	3.16	3.17	—
PPS 75/75 guarantee policy	1.37	1.36	1.36	1.37	1.32
PPS 75/100 guarantee policy	1.65	1.63	1.63	1.65	1.59
PPS 100/100 guarantee policy	—	—	—	2.04	1.99

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	14.43	7.07	3.36	6.03	10.04

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
IVY CANADIAN BALANCED FUND (MACKENZIE)
SF563

December 31, 2024

Independent Auditor's Report

To the Contractholders of Ivy Canadian Balanced Fund (Mackenzie) SF563 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Ivy Canadian Balanced Fund (Mackenzie) SF563

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 76	\$ 10
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	24	54
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	59,745	39,225
Total investments	59,745	39,225
Total assets	\$ 59,845	\$ 39,289
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	6
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	6
Net assets attributable to contractholders	\$ 59,845	\$ 39,283

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 7,347	\$ 3,859
Miscellaneous income (loss)	—	—
Total income (loss)	7,347	3,859
Expenses		
Management fees (note 8)	1,091	673
Other	126	77
Total expenses	1,217	750
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 6,130	\$ 3,109

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 39,283	\$ 25,413
Contractholder deposits	20,149	14,579
Contractholder withdrawals	(5,717)	(3,818)
Increase (decrease) in net assets from operations attributable to contractholders	6,130	3,109
Change in net assets attributable to contractholders	20,562	13,870
Net assets attributable to contractholders - end of year	\$ 59,845	\$ 39,283

Ivy Canadian Balanced Fund (Mackenzie) SF563

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 6,130	\$ 3,109
Adjustments		
Realized (gains) losses	(361)	(110)
Unrealized (gains) losses	(4,557)	(2,519)
Gross proceeds of disposition of investments	3,427	2,595
Gross payments for the purchase of investments	(16,600)	(12,513)
Distribution income of underlying mutual fund	(2,429)	(1,230)
Change in due from/to The Canada Life Assurance Company	30	(65)
Change in due from/to brokers	(6)	5
	<u>(14,366)</u>	<u>(10,728)</u>
Financing Activities		
Contractholder deposits	20,149	14,579
Contractholder withdrawals	(5,717)	(3,818)
	<u>14,432</u>	<u>10,761</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	66	33
Cash, short-term deposits and overdrafts, beginning of year	10	(23)
Cash, short-term deposits and overdrafts, end of year	\$ 76	\$ 10

Ivy Canadian Balanced Fund (Mackenzie) SF563

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Ivy Canadian Balanced Fund Series S *	4,606,943	52,839	59,745
Total Investments		52,839	59,745

Top 25 Holdings

Security Description	% of Total
Brookfield Corp.	3.95%
Intact Financial Corp.	3.87%
Restaurant Brands International Inc.	2.90%
Royal Bank of Canada	2.86%
Emera Inc.	2.83%
Visa Inc. Class A	2.82%
Alimentation Couche-Tard Inc.	2.72%
The Williams Companies Inc.	2.69%
Microsoft Corp.	2.68%
Alphabet Inc. Class C	2.66%
The Toronto-Dominion Bank	2.56%
CCL Industries Inc. Class B non-voting	2.44%
CGI Group Inc. Class A sub. voting	1.99%
Suncor Energy Inc.	1.97%
TELUS Corp.	1.95%
Canadian National Railway Co.	1.91%
Pembina Pipeline Corp.	1.86%
Johnson & Johnson Inc.	1.81%
Union Pacific Corp.	1.78%
Waste Connections Inc.	1.73%
Compass Group PLC	1.65%
Aritzia Inc.	1.62%
Danaher Corp.	1.60%
Onex Corp. sub. voting	1.60%
Cash and short-term deposits	1.59%

*The issuer of this security is a related company to the issuer of the Fund.

Ivy Canadian Balanced Fund (Mackenzie) SF563

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	255,781	239,262	193,251	133,066	63,077	3,424	2,825	2,074	1,518	630
75/100 guarantee policy	2,868,769	1,970,771	1,316,541	825,954	285,476	38,309	23,230	14,110	9,416	2,848
100/100 guarantee policy	37,326	51,814	47,885	30,057	10,555	494	607	510	342	105
PS1 75/75 guarantee policy	238,479	173,003	143,251	50,102	23,591	3,250	2,073	1,555	576	236
PS1 75/100 guarantee policy	689,921	518,594	344,023	267,516	91,622	9,323	6,171	3,714	3,065	917
PS1 100/100 guarantee policy	12,974	20,786	19,626	5,159	—	173	244	210	59	—
PS2 75/75 guarantee policy	33,465	5,229	5,578	4,044	98	514	69	65	49	1
PS2 75/100 guarantee policy	43,194	112,907	126,767	137,695	90,067	663	1,489	1,479	1,663	927
PS2 100/100 guarantee policy	4,076	4,178	4,281	1,474	—	62	55	50	18	—
PS 75/75 guarantee policy	10,552	8,122	6,118	4,179	4,201	150	101	68	49	42
PS 75/100 guarantee policy	204,187	174,355	120,042	90,653	18,634	2,888	2,152	1,333	1,059	188
PPS 75/75 guarantee policy	22,180	3,917	3,953	4,117	—	319	49	44	48	—
PPS 75/100 guarantee policy	19,295	17,481	17,998	20,490	16,085	276	218	201	240	164
PPS 100/100 guarantee policy	—	—	—	2,329	—	—	—	—	27	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.38	11.81	10.73	11.41	9.98	1.57	1.08
75/100 guarantee policy	13.35	11.79	10.72	11.40	9.98	1.56	1.07
100/100 guarantee policy	13.24	11.71	10.66	11.36	9.96	1.53	1.05
PS1 75/75 guarantee policy	13.63	11.98	10.85	11.50	10.02	1.65	1.13
PS1 75/100 guarantee policy	13.51	11.90	10.80	11.46	10.00	1.61	1.10
PS1 100/100 guarantee policy	13.32	11.76	10.69	11.37	—	1.56	1.07
PS2 75/75 guarantee policy	15.35	13.18	11.67	12.08	10.29	2.17	1.51
PS2 75/100 guarantee policy	15.35	13.19	11.67	12.08	10.29	2.16	1.52
PS2 100/100 guarantee policy	15.31	13.15	11.64	12.05	—	2.16	1.51
PS 75/75 guarantee policy	14.17	12.37	11.12	11.69	10.11	1.80	1.25
PS 75/100 guarantee policy	14.14	12.35	11.10	11.68	10.11	1.79	1.25
PPS 75/75 guarantee policy	14.40	12.52	11.21	11.75	—	1.88	1.31
PPS 75/100 guarantee policy	14.31	12.46	11.18	11.73	10.13	1.85	1.28
PPS 100/100 guarantee policy	—	—	—	11.65	—	—	—

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Ivy Canadian Balanced Fund (Mackenzie) SF563 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Ivy Canadian Balanced Fund (Mackenzie) SF563

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.69	2.67	2.68	2.67	2.62
75/100 guarantee policy	2.74	2.72	2.72	2.71	2.66
100/100 guarantee policy	2.90	2.88	2.89	2.90	2.83
PS1 75/75 guarantee policy	2.34	2.32	2.34	2.32	2.27
PS1 75/100 guarantee policy	2.51	2.49	2.49	2.48	2.43
PS1 100/100 guarantee policy	2.73	2.71	2.73	2.73	—
PS 75/75 guarantee policy	1.57	1.56	1.56	1.57	1.52
PS 75/100 guarantee policy	1.62	1.60	1.61	1.60	1.57
PPS 75/75 guarantee policy	1.22	1.21	1.21	1.21	—
PPS 75/100 guarantee policy	1.39	1.37	1.38	1.37	1.34
PPS 100/100 guarantee policy	—	—	—	1.62	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.00	8.20	12.09	6.22	38.19

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
IVY FOREIGN EQUITY FUND (MACKENZIE) SF564

December 31, 2024

Independent Auditor's Report

To the Contractholders of Ivy Foreign Equity Fund (Mackenzie) SF564 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Ivy Foreign Equity Fund (Mackenzie) SF564

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 115	\$ 5
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	20
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	61,494	52,611
Total investments	61,494	52,611
Total assets	\$ 61,609	\$ 52,636
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	42	27
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	42	27
Net assets attributable to contractholders	\$ 61,567	\$ 52,609

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 12,820	\$ 6,105
Miscellaneous income (loss)	—	—
Total income (loss)	12,820	6,105
Expenses		
Management fees (note 8)	1,148	1,040
Other	135	121
Total expenses	1,283	1,161
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 11,537	\$ 4,944

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 52,609	\$ 50,117
Contractholder deposits	4,338	4,096
Contractholder withdrawals	(6,917)	(6,548)
Increase (decrease) in net assets from operations attributable to contractholders	11,537	4,944
Change in net assets attributable to contractholders	8,958	2,492
Net assets attributable to contractholders - end of year	\$ 61,567	\$ 52,609

Ivy Foreign Equity Fund (Mackenzie) SF564

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 11,537	\$ 4,944
Adjustments		
Realized (gains) losses	(992)	96
Unrealized (gains) losses	(5,164)	(5,320)
Gross proceeds of disposition of investments	7,989	7,538
Gross payments for the purchase of investments	(4,052)	(4,004)
Distribution income of underlying mutual fund	(6,664)	(881)
Change in due from/to The Canada Life Assurance Company	15	124
Change in due from/to brokers	20	(40)
	<u>2,689</u>	<u>2,457</u>
Financing Activities		
Contractholder deposits	4,338	4,096
Contractholder withdrawals	(6,917)	(6,548)
	<u>(2,579)</u>	<u>(2,452)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	110	5
Cash, short-term deposits and overdrafts, beginning of year	5	—
Cash, short-term deposits and overdrafts, end of year	\$ 115	\$ 5

Ivy Foreign Equity Fund (Mackenzie) SF564

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Foreign Equity Fund Series S *	2,531,968	55,122	61,494
Total Investments		55,122	61,494

Top 25 Holdings

Security Description	% of Total
Alphabet Inc. Class A	4.81%
Berkshire Hathaway Inc. Class B	4.14%
Brookfield Corp.	3.80%
Amazon.com Inc.	3.77%
Microsoft Corp.	3.76%
Apple Inc.	3.49%
Texas Instruments Inc.	3.28%
Amphenol Corp. Class A	3.27%
Automatic Data Processing Inc.	3.23%
Accenture PLC Class A	3.07%
Marsh & McLennan Companies Inc.	2.96%
Deutsche Boerse AG	2.88%
Abbott Laboratories	2.70%
Union Pacific Corp.	2.57%
Johnson & Johnson Inc.	2.54%
Roper Technologies Inc.	2.53%
McDonald's Corp.	2.51%
Compass Group PLC	2.32%
Halma PLC	2.23%
W. W. Grainger Inc.	2.09%
Oracle Corp.	2.03%
The TJX Companies Inc.	2.03%
Schneider Electric SE	1.99%
Danaher Corp.	1.95%
Colgate Palmolive Co.	1.88%

*The issuer of this security is a related company to the issuer of the Fund.

Ivy Foreign Equity Fund (Mackenzie) SF564

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	465,127	499,331	516,925	473,545	225,754	6,837	6,038	5,719	5,770	2,568
75/100 guarantee policy	844,099	911,687	968,492	912,848	468,818	12,301	10,948	10,660	11,083	5,322
100/100 guarantee policy	45,434	44,326	40,962	44,345	37,396	644	521	443	532	422
PS1 75/75 guarantee policy	391,098	352,470	379,666	336,718	144,375	5,889	4,345	4,263	4,145	1,651
PS1 75/100 guarantee policy	920,775	935,007	1,013,916	979,529	427,209	13,627	11,368	11,266	11,970	4,867
PS1 100/100 guarantee policy	12,798	8,735	11,057	19,454	6,300	185	104	121	235	71
PS2 75/75 guarantee policy	302,642	277,276	250,324	167,655	35,124	5,191	3,796	3,043	2,177	413
PS2 75/100 guarantee policy	287,774	266,757	289,356	312,807	134,997	4,936	3,652	3,517	4,063	1,588
PS2 100/100 guarantee policy	4,989	3,597	2,794	—	—	85	49	34	—	—
PS 75/75 guarantee policy	104,787	118,746	119,511	100,750	50,517	1,631	1,504	1,369	1,257	582
PS 75/100 guarantee policy	157,886	178,956	179,070	134,577	76,572	2,437	2,250	2,041	1,673	880
PS 100/100 guarantee policy	455	—	—	—	—	7	—	—	—	—
PPS 75/75 guarantee policy	221,877	243,802	242,314	163,221	75,209	3,538	3,147	2,818	2,057	871
PPS 75/100 guarantee policy	271,765	383,825	419,153	396,701	153,781	4,259	4,887	4,823	4,965	1,774

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.70	12.09	11.06	12.18	11.37	2.61	1.03
75/100 guarantee policy	14.57	12.01	11.01	12.14	11.35	2.56	1.00
100/100 guarantee policy	14.19	11.75	10.83	12.01	11.28	2.44	0.92
PS1 75/75 guarantee policy	15.06	12.33	11.23	12.31	11.44	2.73	1.10
PS1 75/100 guarantee policy	14.80	12.16	11.11	12.22	11.39	2.64	1.05
PS1 100/100 guarantee policy	14.46	11.94	10.96	12.10	11.33	2.52	0.98
PS2 75/75 guarantee policy	17.15	13.69	12.15	12.99	11.76	3.46	1.54
PS2 75/100 guarantee policy	17.15	13.69	12.15	12.99	11.76	3.46	1.54
PS2 100/100 guarantee policy	17.13	13.67	12.14	—	—	3.46	1.53
PS 75/75 guarantee policy	15.57	12.66	11.46	12.48	11.52	2.91	1.20
PS 75/100 guarantee policy	15.43	12.57	11.40	12.43	11.50	2.86	1.17
PS 100/100 guarantee policy	15.01	—	—	—	—	2.72	—
PPS 75/75 guarantee policy	15.94	12.91	11.63	12.61	11.58	3.03	1.28
PPS 75/100 guarantee policy	15.67	12.73	11.51	12.52	11.54	2.94	1.22

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Ivy Foreign Equity Fund (Mackenzie) SF564 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Ivy Foreign Equity Fund (Mackenzie) SF564

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Ivy Foreign Equity Fund (Mackenzie) SF564

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.03	3.01	3.02	2.99	2.96
75/100 guarantee policy	3.20	3.18	3.18	3.16	3.13
100/100 guarantee policy	3.73	3.70	3.71	3.69	3.64
PS1 75/75 guarantee policy	2.57	2.54	2.55	2.53	2.49
PS1 75/100 guarantee policy	2.90	2.88	2.89	2.86	2.82
PS1 100/100 guarantee policy	3.35	3.33	3.34	3.32	3.26
PS 75/75 guarantee policy	1.91	1.89	1.90	1.88	1.85
PS 75/100 guarantee policy	2.08	2.06	2.07	2.05	2.02
PS 100/100 guarantee policy	2.62	—	—	—	—
PPS 75/75 guarantee policy	1.44	1.43	1.44	1.42	1.38
PPS 75/100 guarantee policy	1.78	1.77	1.78	1.75	1.71

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.57	2.54	2.55	2.53	2.51
PS1 75/100 guarantee policy	2.90	2.88	2.89	2.86	2.84
PS1 100/100 guarantee policy	3.35	3.33	3.34	3.32	3.28
PPS 75/75 guarantee policy	1.44	1.43	1.44	1.42	1.40
PPS 75/100 guarantee policy	1.78	1.77	1.78	1.75	1.73

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.24	7.82	20.91	91.12	7.61

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
DIVIDEND FUND (MACKENZIE) SF565

December 31, 2024

Independent Auditor's Report

To the Contractholders of Dividend Fund (Mackenzie) SF565 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Dividend Fund (Mackenzie) SF565

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 139	\$ 707
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	60	96
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	171,532	128,459
Total investments	171,532	128,459
Total assets	\$ 171,731	\$ 129,262
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	587
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	587
Net assets attributable to contractholders	\$ 171,731	\$ 128,675

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 22,753	\$ 9,080
Miscellaneous income (loss)	—	—
Total income (loss)	22,753	9,080
Expenses		
Management fees (note 8)	3,292	2,645
Other	386	305
Total expenses	3,678	2,950
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 19,075	\$ 6,130

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 128,675	\$ 103,752
Contractholder deposits	41,161	34,295
Contractholder withdrawals	(17,180)	(15,502)
Increase (decrease) in net assets from operations attributable to contractholders	19,075	6,130
Change in net assets attributable to contractholders	43,056	24,923
Net assets attributable to contractholders - end of year	\$ 171,731	\$ 128,675

Dividend Fund (Mackenzie) SF565

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 19,075	\$ 6,130
Adjustments		
Realized (gains) losses	(389)	104
Unrealized (gains) losses	(13,773)	(4,865)
Gross proceeds of disposition of investments	7,529	8,668
Gross payments for the purchase of investments	(27,849)	(24,389)
Distribution income of underlying mutual fund	(8,591)	(4,319)
Change in due from/to The Canada Life Assurance Company	36	(6)
Change in due from/to brokers	(587)	498
	(24,549)	(18,179)
Financing Activities		
Contractholder deposits	41,161	34,295
Contractholder withdrawals	(17,180)	(15,502)
	23,981	18,793
Net increase (decrease) in cash, short-term deposits and overdrafts	(568)	614
Cash, short-term deposits and overdrafts, beginning of year	707	93
Cash, short-term deposits and overdrafts, end of year	\$ 139	\$ 707

Dividend Fund (Mackenzie) SF565

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Canadian Dividend Fund Series S *	5,389,403	154,985	171,532
Total Investments		154,985	171,532

Top 25 Holdings

Security Description	% of Total
Royal Bank of Canada	7.31%
The Toronto-Dominion Bank	5.08%
Bank of Montreal	4.75%
Sun Life Financial Inc.	3.92%
Enbridge Inc.	3.72%
Canadian Natural Resources Ltd.	3.57%
Manulife Financial Corp.	2.94%
Canadian Pacific Kansas City Ltd.	2.84%
The Bank of Nova Scotia	2.79%
TC Energy Corp.	2.62%
Intact Financial Corp.	2.57%
Canadian National Railway Co.	2.55%
TELUS Corp.	2.30%
Suncor Energy Inc.	2.25%
Loblaw Companies Ltd.	2.12%
Brookfield Infrastructure Partners LP Partnership Units	1.84%
Nutrien Ltd.	1.67%
Emera Inc.	1.63%
Agnico Eagle Mines Ltd.	1.61%
Power Corp. of Canada sub. voting *	1.59%
Rogers Communications Inc. Class B non-voting	1.52%
Pembina Pipeline Corp.	1.47%
Restaurant Brands International Inc.	1.45%
Brookfield Asset Management Inc. Class A	1.33%
Fortis Inc.	1.24%

*The issuer of this security is a related company to the issuer of the Fund.

Dividend Fund (Mackenzie) SF565

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,966,538	1,821,335	1,516,151	575,819	298,852	27,940	22,725	17,984	7,013	2,917
75/100 guarantee policy	3,303,744	3,060,615	2,530,691	1,259,568	553,479	46,537	37,925	29,862	15,286	5,392
100/100 guarantee policy	117,709	157,287	116,582	24,379	13,236	1,627	1,920	1,360	293	128
PS1 75/75 guarantee policy	1,872,159	1,340,333	1,099,658	533,368	134,061	27,169	17,012	13,215	6,555	1,315
PS1 75/100 guarantee policy	3,686,066	2,988,531	2,412,719	871,179	328,733	52,882	37,582	28,791	10,655	3,216
PS1 100/100 guarantee policy	69,923	78,041	125,760	32,269	6,012	986	968	1,485	392	59
PS2 75/75 guarantee policy	142,564	98,194	68,926	42,590	16,089	2,337	1,374	892	550	162
PS2 75/100 guarantee policy	342,353	300,147	349,855	121,661	27,482	5,611	4,201	4,527	1,572	277
PS 75/75 guarantee policy	48,588	40,763	40,500	12,381	2,125	732	534	499	155	21
PS 75/100 guarantee policy	102,596	123,266	159,299	70,113	2,302	1,531	1,600	1,947	872	23
PPS 75/75 guarantee policy	184,556	85,017	80,944	32,238	19,740	2,836	1,130	1,007	406	196
PPS 75/100 guarantee policy	101,558	129,431	176,653	19,204	13,760	1,543	1,704	2,183	240	136

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.21	12.48	11.86	12.18	9.76	1.73	0.62
75/100 guarantee policy	14.09	12.39	11.80	12.14	9.74	1.70	0.59
100/100 guarantee policy	13.82	12.20	11.66	12.04	9.70	1.62	0.54
PS1 75/75 guarantee policy	14.51	12.69	12.02	12.29	9.81	1.82	0.67
PS1 75/100 guarantee policy	14.35	12.58	11.93	12.23	9.78	1.77	0.65
PS1 100/100 guarantee policy	14.10	12.40	11.81	12.14	9.75	1.70	0.59
PS2 75/75 guarantee policy	16.39	13.99	12.94	12.92	10.07	2.40	1.05
PS2 75/100 guarantee policy	16.39	14.00	12.94	12.92	10.07	2.39	1.06
PS 75/75 guarantee policy	15.08	13.09	12.31	12.50	9.90	1.99	0.78
PS 75/100 guarantee policy	14.92	12.98	12.22	12.43	9.87	1.94	0.76
PPS 75/75 guarantee policy	15.37	13.29	12.45	12.59	9.93	2.08	0.84
PPS 75/100 guarantee policy	15.19	13.17	12.36	12.53	9.91	2.02	0.81

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Dividend Fund (Mackenzie) SF565 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Dividend Fund (Mackenzie) SF565

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Dividend Fund (Mackenzie) SF565

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.81	2.78	2.79	2.78	2.72
75/100 guarantee policy	2.98	2.95	2.96	2.94	2.89
100/100 guarantee policy	3.35	3.32	3.32	3.31	3.25
PS1 75/75 guarantee policy	2.40	2.38	2.36	2.38	2.30
PS1 75/100 guarantee policy	2.62	2.60	2.60	2.59	2.54
PS1 100/100 guarantee policy	2.96	2.93	2.94	2.94	2.85
PS 75/75 guarantee policy	1.69	1.67	1.67	1.66	1.64
PS 75/100 guarantee policy	1.86	1.84	1.83	1.84	1.80
PPS 75/75 guarantee policy	1.28	1.26	1.25	1.26	1.22
PPS 75/100 guarantee policy	1.50	1.49	1.49	1.48	1.43

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.40	2.38	2.36	2.38	2.32
PS1 75/100 guarantee policy	2.62	2.60	2.60	2.59	2.56
PS1 100/100 guarantee policy	2.96	2.93	2.94	2.94	2.87
PPS 75/75 guarantee policy	1.28	1.26	1.25	1.26	1.24
PPS 75/100 guarantee policy	1.50	1.49	1.49	1.48	1.45

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.16	7.38	3.66	76.44	25.45

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL BALANCED PORTFOLIO FUND 1.04FID

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Balanced Portfolio Fund 1.04FID (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Balanced Portfolio Fund 1.04FID

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,226	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	429	152
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	198,102	109,071
Total investments	198,102	109,071
Total assets	\$ 199,757	\$ 109,223
Liabilities		
Overdrafts	\$ —	\$ 73
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	25
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	98
Net assets attributable to contractholders	\$ 199,757	\$ 109,125

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 26,431	\$ 11,795
Miscellaneous income (loss)	—	—
Total income (loss)	26,431	11,795
Expenses		
Management fees (note 8)	3,622	2,165
Other	406	240
Total expenses	4,028	2,405
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 22,403	\$ 9,390

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 109,125	\$ 74,798
Contractholder deposits	83,406	34,402
Contractholder withdrawals	(15,177)	(9,465)
Increase (decrease) in net assets from operations attributable to contractholders	22,403	9,390
Change in net assets attributable to contractholders	90,632	34,327
Net assets attributable to contractholders - end of year	\$ 199,757	\$ 109,125

Global Balanced Portfolio Fund 1.04FID

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 22,403	\$ 9,390
Adjustments		
Realized (gains) losses	(375)	211
Unrealized (gains) losses	(18,220)	(9,180)
Gross proceeds of disposition of investments	4,307	5,491
Gross payments for the purchase of investments	(66,907)	(28,013)
Distribution income of underlying mutual fund	(7,836)	(2,826)
Change in due from/to The Canada Life Assurance Company	(277)	(160)
Change in due from/to brokers	(25)	24
	<u>(66,930)</u>	<u>(25,063)</u>
Financing Activities		
Contractholder deposits	83,406	34,402
Contractholder withdrawals	(15,177)	(9,465)
	<u>68,229</u>	<u>24,937</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	1,299	(126)
Cash, short-term deposits and overdrafts, beginning of year	(73)	53
Cash, short-term deposits and overdrafts, end of year	\$ 1,226	\$ (73)

Global Balanced Portfolio Fund 1.04FID

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity Global Balanced Portfolio Series O	11,024,626	178,940	198,102
Total Investments		178,940	198,102

Top 25 Holdings

Security Description	% of Total
United States Treasury 4.375% 05-15-2034	2.21%
iShares TIPS Bond ETF	2.13%
S&P/TSX 60 Futures Index 03-20-2025	1.94%
Meta Platforms Inc.	1.72%
NVIDIA Corp.	1.70%
iShares Gold Trust ETF	1.59%
Apple Inc.	1.20%
Royal Bank of Canada	1.01%
iShares 3-7 Year Treasury Bond ETF	0.98%
Amazon.com Inc.	0.92%
iShares Core S&P 500 ETF	0.87%
Alphabet Inc. Class A	0.86%
Microsoft Corp.	0.76%
Shopify Inc.	0.76%
Taiwan Semiconductor Manufacturing Co. Ltd.	0.76%
Alimentation Couche-Tard Inc.	0.65%
The Toronto-Dominion Bank	0.65%
United States Treasury 3.75% 05-31-2030	0.64%
Berkshire Hathaway Inc. Class A	0.63%
United States Treasury 3.50% 02-15-2033	0.62%
Constellation Software Inc.	0.59%
Tencent Holdings Ltd.	0.59%
Agnico Eagle Mines Ltd.	0.57%
United States Treasury 3.625% 02-15-2053	0.56%
United States Treasury 4.125% 08-15-2053	0.56%

Global Balanced Portfolio Fund 1.04FID

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	2,667,435	1,651,383	1,328,953	1,053,419	261,246	36,572	19,348	14,052	12,596	2,940
75/100 guarantee policy	4,556,186	3,270,937	2,451,741	2,056,370	543,716	61,687	37,951	25,744	24,485	6,110
PS1 75/75 guarantee policy	1,790,227	675,675	549,347	290,016	180,308	24,889	8,004	5,856	3,485	2,033
PS1 75/100 guarantee policy	3,980,986	2,672,074	2,065,973	1,564,912	249,654	54,634	31,333	21,859	18,721	2,810
PS2 75/75 guarantee policy	92,920	70,737	42,130	10,475	5,984	1,452	918	480	131	69
PS2 75/100 guarantee policy	266,364	231,070	136,467	93,094	12,569	4,163	3,000	1,554	1,166	144
PS 75/75 guarantee policy	71,512	102,014	86,318	96,785	26,026	1,033	1,245	940	1,179	295
PS 75/100 guarantee policy	214,032	176,174	155,448	174,779	42,007	3,051	2,128	1,680	2,119	475
PPS 75/75 guarantee policy	439,656	217,023	118,435	57,985	7,759	6,435	2,676	1,300	710	88
PPS 75/100 guarantee policy	404,250	206,537	122,306	34,108	5,643	5,841	2,522	1,333	416	65

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.71	11.72	10.57	11.96	11.25	1.99	1.15
75/100 guarantee policy	13.54	11.60	10.50	11.91	11.24	1.94	1.10
PS1 75/75 guarantee policy	13.90	11.85	10.66	12.02	11.28	2.05	1.19
PS1 75/100 guarantee policy	13.72	11.73	10.58	11.96	11.26	1.99	1.15
PS2 75/75 guarantee policy	15.63	12.98	11.39	12.52	11.46	2.65	1.59
PS2 75/100 guarantee policy	15.63	12.98	11.39	12.52	11.46	2.65	1.59
PS 75/75 guarantee policy	14.44	12.20	10.89	12.18	11.34	2.24	1.31
PS 75/100 guarantee policy	14.25	12.08	10.81	12.12	11.32	2.17	1.27
PPS 75/75 guarantee policy	14.64	12.33	10.98	12.24	11.36	2.31	1.35
PPS 75/100 guarantee policy	14.45	12.21	10.90	12.18	11.34	2.24	1.31

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Balanced Portfolio Fund 1.04FID (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Balanced Portfolio Fund 1.04FID

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Balanced Portfolio Fund 1.04FID

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.82	2.82	2.83	2.78
75/100 guarantee policy	3.11	3.09	3.10	3.10	3.05
PS1 75/75 guarantee policy	2.54	2.52	2.51	2.52	2.49
PS1 75/100 guarantee policy	2.82	2.80	2.80	2.81	2.76
PS 75/75 guarantee policy	1.72	1.71	1.71	1.70	1.68
PS 75/100 guarantee policy	1.99	1.99	1.99	1.98	1.96
PPS 75/75 guarantee policy	1.42	1.42	1.41	1.41	1.37
PPS 75/100 guarantee policy	1.70	1.69	1.70	1.68	1.66

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	2.79	6.21	7.20	3.14	1.43

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL INCOME PORTFOLIO FUND 1.03FID

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Income Portfolio Fund 1.03FID (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Income Portfolio Fund 1.03FID

(in Canadian \$ thousands)

Fund Manager: Fidelity Investments Canada ULC

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 115	\$ 66
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	319	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	98,133	54,944
Total investments	98,133	54,944
Total assets	\$ 98,567	\$ 55,010
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	29
Due to brokers	—	67
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	96
Net assets attributable to contractholders	\$ 98,567	\$ 54,914

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 9,682	\$ 4,618
Miscellaneous income (loss)	—	—
Total income (loss)	9,682	4,618
Expenses		
Management fees (note 8)	1,675	1,115
Other	209	133
Total expenses	1,884	1,248
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 7,798	\$ 3,370

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 54,914	\$ 39,237
Contractholder deposits	50,089	16,999
Contractholder withdrawals	(14,234)	(4,692)
Increase (decrease) in net assets from operations attributable to contractholders	7,798	3,370
Change in net assets attributable to contractholders	43,653	15,677
Net assets attributable to contractholders - end of year	\$ 98,567	\$ 54,914

Global Income Portfolio Fund 1.03FID

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 7,798	\$ 3,370
Adjustments		
Realized (gains) losses	(388)	118
Unrealized (gains) losses	(6,720)	(3,096)
Gross proceeds of disposition of investments	6,532	3,885
Gross payments for the purchase of investments	(40,039)	(15,051)
Distribution income of underlying mutual fund	(2,574)	(1,640)
Change in due from/to The Canada Life Assurance Company	(348)	97
Change in due from/to brokers	(67)	70
	<u>(35,806)</u>	<u>(12,247)</u>
Financing Activities		
Contractholder deposits	50,089	16,999
Contractholder withdrawals	(14,234)	(4,692)
	<u>35,855</u>	<u>12,307</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	49	60
Cash, short-term deposits and overdrafts, beginning of year	66	6
Cash, short-term deposits and overdrafts, end of year	\$ 115	\$ 66

Global Income Portfolio Fund 1.03FID

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Fidelity Global Income Portfolio Series O	6,171,948	91,282	98,133
Total Investments		91,282	98,133

Top 25 Holdings

Security Description	% of Total
iShares TIPS Bond ETF	3.41%
iShares Short Treasury Bond ETF	3.13%
United States Treasury 4.375% 05-15-2034	2.45%
iShares Gold Trust ETF	1.66%
iShares Core S&P 500 ETF	1.17%
Federal Republic of Germany 2.60% 08-15-2033	1.06%
E-mini Russell 2000 Index 03-21- 2025	0.90%
Apple Inc.	0.83%
Royal Bank of Canada	0.75%
Meta Platforms Inc.	0.74%
Microsoft Corp.	0.70%
Taiwan Semiconductor Manufacturing Co. Ltd.	0.66%
NVIDIA Corp.	0.63%
United States Treasury 4.125% 08-15-2053	0.63%
United States Treasury 3.625% 02-15-2053	0.61%
United States Treasury 3.75% 05-31-2030	0.60%
United States Treasury 3.50% 02-15-2033	0.59%
The Toronto-Dominion Bank	0.54%
Canada Housing Trust No. 1 1.25% 06-15-2026 144A	0.51%
United States Treasury 4.125% 11-15-2032	0.50%
Alimentation Couche-Tard Inc.	0.49%
S&P/TSX 60 Futures Index 03-20-2025	0.48%
Constellation Software Inc.	0.45%
Alphabet Inc. Class A	0.43%
Shopify Inc.	0.42%

Global Income Portfolio Fund 1.03FID

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,455,075	996,170	836,181	679,862	230,666	17,672	10,798	8,452	7,596	2,483
75/100 guarantee policy	2,448,570	1,876,800	1,421,134	1,115,447	521,894	29,358	20,140	14,260	12,406	5,609
PS1 75/75 guarantee policy	1,113,049	564,084	485,809	295,987	29,624	13,743	6,194	4,957	3,326	320
PS1 75/100 guarantee policy	2,531,936	1,332,470	888,449	577,952	133,096	30,860	14,484	8,998	6,465	1,434
PS2 75/75 guarantee policy	109,764	2,538	2,584	2,630	1,671	1,513	30	28	31	18
PS2 75/100 guarantee policy	105,983	105,399	113,795	125,025	82,631	1,461	1,261	1,236	1,460	905
PS 75/75 guarantee policy	19,814	10,957	9,616	23,150	—	253	124	100	263	—
PS 75/100 guarantee policy	100,276	107,414	89,767	62,514	2,670	1,266	1,200	928	708	29
PPS 75/75 guarantee policy	126,987	15,188	14,967	9,816	8,565	1,651	174	157	112	93
PPS 75/100 guarantee policy	61,629	45,032	11,643	17,606	—	790	509	121	200	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.15	10.84	10.11	11.17	10.77	1.31	0.73
75/100 guarantee policy	11.99	10.73	10.03	11.12	10.75	1.26	0.70
PS1 75/75 guarantee policy	12.35	10.98	10.20	11.24	10.79	1.37	0.78
PS1 75/100 guarantee policy	12.19	10.87	10.13	11.19	10.77	1.32	0.74
PS2 75/75 guarantee policy	13.78	11.96	10.86	11.68	10.95	1.82	1.10
PS2 75/100 guarantee policy	13.78	11.97	10.86	11.68	10.95	1.81	1.11
PS 75/75 guarantee policy	12.77	11.27	10.39	11.36	—	1.50	0.88
PS 75/100 guarantee policy	12.63	11.17	10.33	11.33	10.82	1.46	0.84
PPS 75/75 guarantee policy	13.00	11.43	10.51	11.44	10.87	1.57	0.92
PPS 75/100 guarantee policy	12.82	11.30	10.41	11.37	—	1.52	0.89

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Income Portfolio Fund 1.03FID (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Income Portfolio Fund 1.03FID

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Income Portfolio Fund 1.03FID

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.75	2.73	2.72	2.71	2.67
75/100 guarantee policy	3.03	3.01	3.00	2.99	2.94
PS1 75/75 guarantee policy	2.39	2.37	2.37	2.37	2.32
PS1 75/100 guarantee policy	2.68	2.65	2.65	2.65	2.60
PS 75/75 guarantee policy	1.62	1.61	1.62	1.61	—
PS 75/100 guarantee policy	1.90	1.89	1.89	1.89	1.85
PPS 75/75 guarantee policy	1.26	1.26	1.25	1.26	1.23
PPS 75/100 guarantee policy	1.55	1.54	1.54	1.54	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	9.03	8.20	6.45	7.99	2.71

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL GROWTH BALANCED FUND 1.02MAC

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Growth Balanced Fund 1.02MAC (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Growth Balanced Fund 1.02MAC

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 57	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	45,479	43,861
Total investments	45,479	43,861
Total assets	\$ 45,536	\$ 43,861
Liabilities		
Overdrafts	\$ —	\$ 28
Due to The Canada Life Assurance Company (note 8)	5	3
Due to brokers	—	11
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	5	42
Net assets attributable to contractholders	\$ 45,531	\$ 43,819

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,379	\$ 4,695
Miscellaneous income (loss)	—	3
Total income (loss)	5,379	4,698
Expenses		
Management fees (note 8)	1,078	924
Other	119	100
Total expenses	1,197	1,024
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,182	\$ 3,674

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 43,819	\$ 37,386
Contractholder deposits	4,966	6,970
Contractholder withdrawals	(7,436)	(4,211)
Increase (decrease) in net assets from operations attributable to contractholders	4,182	3,674
Change in net assets attributable to contractholders	1,712	6,433
Net assets attributable to contractholders - end of year	\$ 45,531	\$ 43,819

Global Growth Balanced Fund 1.02MAC

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,182	\$ 3,674
Adjustments		
Realized (gains) losses	(649)	107
Unrealized (gains) losses	(3,624)	(4,211)
Gross proceeds of disposition of investments	7,921	3,639
Gross payments for the purchase of investments	(4,160)	(5,416)
Distribution income of underlying mutual fund	(1,106)	(591)
Change in due from/to The Canada Life Assurance Company	2	(6)
Change in due from/to brokers	(11)	(57)
	<u>2,555</u>	<u>(2,861)</u>
Financing Activities		
Contractholder deposits	4,966	6,970
Contractholder withdrawals	(7,436)	(4,211)
	<u>(2,470)</u>	<u>2,759</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	85	(102)
Cash, short-term deposits and overdrafts, beginning of year	(28)	74
Cash, short-term deposits and overdrafts, end of year	\$ 57	\$ (28)

Global Growth Balanced Fund 1.02MAC

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie Bluewater Global Growth Balanced Series S *	3,497,207	40,948	45,479
Total Investments		40,948	45,479

Top 25 Holdings

Security Description	% of Total
Apple Inc.	2.90%
Microsoft Corp.	2.79%
Amazon.com Inc.	2.52%
Aon PLC	2.46%
Roper Technologies Inc.	2.36%
Compass Group PLC	2.33%
Schneider Electric SE	2.30%
Waste Connections Inc.	2.28%
Alcon Inc. ADR	2.22%
Stryker Corp.	1.91%
Verisk Analytics Inc. Class A	1.91%
Copart Inc.	1.90%
Cadence Design Systems Inc.	1.77%
Cash and short-term deposits	1.73%
Amphenol Corp. Class A	1.70%
Gartner Inc.	1.69%
Thermo Fisher Scientific Inc.	1.68%
RELX PLC	1.66%
Linde PLC	1.60%
Mastercard Inc. Class A	1.57%
S&P Global Inc.	1.55%
Wolters Kluwer NV	1.53%
Accenture PLC Class A	1.50%
Trane Technologies PLC	1.50%
The Progressive Corp.	1.49%

*The issuer of this security is a related company to the issuer of the Fund.

Global Growth Balanced Fund 1.02MAC

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	488,345	488,520	489,349	545,974	341,813	6,031	5,513	5,052	6,871	3,808
75/100 guarantee policy	1,098,062	1,034,576	1,016,561	998,724	528,275	13,389	11,561	10,420	12,514	5,876
PS1 75/75 guarantee policy	487,318	466,631	437,607	317,748	69,038	6,117	5,335	4,561	4,023	771
PS1 75/100 guarantee policy	1,394,741	1,505,241	1,340,755	1,082,469	424,947	17,288	17,038	13,873	13,643	4,738
PS2 75/75 guarantee policy	17,368	21,370	25,228	26,553	6,405	244	267	280	350	73
PS2 75/100 guarantee policy	91,984	249,844	216,303	176,323	1,103	1,294	3,123	2,404	2,323	12
PS 75/75 guarantee policy	9,355	10,515	10,938	9,633	1,121	122	123	116	123	13
PS 75/100 guarantee policy	38,770	36,512	31,063	20,858	—	497	424	328	266	—
PPS 75/75 guarantee policy	16,512	23,265	21,994	11,837	3,517	218	277	236	153	39
PPS 75/100 guarantee policy	25,405	13,409	10,933	7,540	—	331	158	116	97	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.35	11.29	10.32	12.59	11.14	1.06	0.97
75/100 guarantee policy	12.19	11.17	10.25	12.53	11.12	1.02	0.92
PS1 75/75 guarantee policy	12.55	11.43	10.42	12.66	11.17	1.12	1.01
PS1 75/100 guarantee policy	12.39	11.32	10.35	12.60	11.15	1.07	0.97
PS2 75/75 guarantee policy	14.07	12.50	11.12	13.17	11.34	1.57	1.38
PS2 75/100 guarantee policy	14.07	12.50	11.12	13.17	11.34	1.57	1.38
PS 75/75 guarantee policy	13.00	11.75	10.63	12.81	11.22	1.25	1.12
PS 75/100 guarantee policy	12.82	11.62	10.54	12.74	—	1.20	1.08
PPS 75/75 guarantee policy	13.21	11.90	10.73	12.89	11.25	1.31	1.17
PPS 75/100 guarantee policy	13.03	11.77	10.64	12.82	—	1.26	1.13

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Growth Balanced Fund 1.02MAC (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Growth Balanced Fund 1.02MAC

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Growth Balanced Fund 1.02MAC

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.85	2.82	2.82	2.78	2.79
75/100 guarantee policy	3.13	3.10	3.09	3.05	3.07
PS1 75/75 guarantee policy	2.50	2.47	2.46	2.44	2.42
PS1 75/100 guarantee policy	2.78	2.75	2.73	2.70	2.69
PS 75/75 guarantee policy	1.73	1.72	1.71	1.69	1.70
PS 75/100 guarantee policy	2.01	1.99	1.98	1.97	—
PPS 75/75 guarantee policy	1.38	1.37	1.36	1.34	1.32
PPS 75/100 guarantee policy	1.66	1.64	1.63	1.61	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.50	2.47	2.46	2.44	2.45
PS1 75/100 guarantee policy	2.78	2.75	2.73	2.70	2.72
PPS 75/75 guarantee policy	1.38	1.37	1.36	1.34	1.35

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	9.21	9.17	14.49	3.62	7.12

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL VALUE BALANCED FUND 1.01BG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Value Balanced Fund 1.01BG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Value Balanced Fund 1.01BG

(in Canadian \$ thousands)

Fund Manager: Beutel, Goodman & Company Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 2,130	\$ 1,413
Investment income due and accrued	196	110
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	6	—
Due from outside parties	—	—
Investments		
Bonds	15,886	10,049
Stocks	41,321	26,436
Investment fund units	—	—
Total investments	57,207	36,485
Total assets	\$ 59,539	\$ 38,008
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	142	2
Due to brokers	—	165
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	142	167
Net assets attributable to contractholders	\$ 59,397	\$ 37,841

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,261	\$ 2,955
Miscellaneous income (loss)	(4)	4
Total income (loss)	6,257	2,959
Expenses		
Management fees (note 7)	1,124	666
Transaction costs	24	13
Withholding taxes	104	66
Other	139	82
Total expenses	1,391	827
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,866	\$ 2,132

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 37,841	\$ 19,576
Contractholder deposits	20,836	19,114
Contractholder withdrawals	(4,146)	(2,981)
Increase (decrease) in net assets from operations attributable to contractholders	4,866	2,132
Change in net assets attributable to contractholders	21,556	18,265
Net assets attributable to contractholders - end of year	\$ 59,397	\$ 37,841

Global Value Balanced Fund 1.01BG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,866	\$ 2,132
Adjustments		
Realized (gains) losses	(2,798)	222
Unrealized (gains) losses	(1,997)	(2,278)
Gross proceeds of disposition of investments	24,859	13,514
Gross payments for the purchase of investments	(40,786)	(29,208)
Change in investment income due and accrued	(86)	(63)
Change in due from/to The Canada Life Assurance Company	140	118
Change in due from/to brokers	(171)	48
Change in due from/to outside parties	—	—
	<u>(15,973)</u>	<u>(15,515)</u>
Financing Activities		
Contractholder deposits	20,836	19,114
Contractholder withdrawals	(4,146)	(2,981)
	<u>16,690</u>	<u>16,133</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	717	618
Cash, short-term deposits and overdrafts, beginning of year	1,413	795
Cash, short-term deposits and overdrafts, end of year	\$ 2,130	\$ 1,413
Supplementary cash flow information		
Interest income received	\$ 497	\$ 249
Dividend income received	804	539

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Government of Canada 1.50% 06-01-2031	132,000	119	120
Government of Canada 1.75% 12-01-2053	565,000	392	401
Government of Canada 2.00% 12-01-2051	38,000	34	29
Government of Canada 2.75% 09-01-2027	26,000	26	26
Government of Canada 2.75% 12-01-2055	45,000	40	40
Government of Canada 3.00% 06-01-2034	1,009,000	970	992
Government of Canada 3.25% 12-01-2033	60,000	59	60
Government of Canada 3.25% 12-01-2034	491,000	494	492
Government of Canada 3.50% 03-01-2028	76,000	76	77
Government of Canada 3.50% 03-01-2034	115,000	115	118
Government of Canada 3.50% 09-01-2029	131,000	134	134
Government of Canada 4.00% 03-01-2029	25,000	25	26
Government of Canada 4.50% 11-01-2025	15,000	15	15
Government of Canada 5.00% 06-01-2037	222,000	262	261
Total Federal Government		2,761	2,791
Provincial Government			
Province of Alberta 3.10% 06-01-2050	231,000	203	191
Province of Alberta 4.15% 06-01-2033	230,000	237	238
Province of British Columbia 2.95% 06-18-2050	176,000	153	141
Province of Ontario 1.85% 02-01-2027	34,000	31	33
Province of Ontario 1.90% 12-02-2051	980,000	642	623
Province of Ontario 2.65% 12-02-2050	246,000	188	186
Province of Ontario 3.45% 06-02-2045	394,000	358	353
Province of Ontario 3.50% 06-02-2043	535,000	470	487
Province of Ontario 3.80% 12-02-2034	138,000	137	137
Province of Ontario 4.15% 06-02-2034	1,000,000	1,008	1,027
Province of Ontario 4.70% 06-02-2037	248,000	262	265
Province of Quebec 2.85% 12-01-2053	174,000	134	135
Province of Quebec 3.50% 12-01-2045	236,000	224	211
Province of Quebec 3.50% 12-01-2048	218,000	204	193
Province of Quebec 4.20% 12-01-2057	164,000	162	164
Province of Quebec 4.40% 12-01-2055	110,000	116	113

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Quebec 4.45% 09-01-2034	918,000	944	963
Total Provincial Government		5,473	5,460
Corporate - Non-convertible			
407 International Inc. 6.47% 07-27-2029	240,000	265	269
Air Canada 4.625% 08-15-2029	339,000	331	337
AltaGas Ltd. 7.35% 08-17-2082	120,000	121	126
Bank of Montreal 4.42% 07-17-2029	120,000	121	123
Brookfield Finance II Inc. 5.431% 12-14-2032	128,000	126	137
Brookfield Renewable Partners ULC 5.292% 10-28-2033	41,000	41	44
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	110,000	111	114
Capital Power Corp. 5.378% 01-25-2027	265,000	266	274
Capital Power Corp. 8.125% 06-05-2054	120,000	121	133
Chartwell Retirement Residences REIT 6.00% 12-08-2026	157,000	158	163
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	50,000	50	54
Coastal Gaslink Pipeline LP 5.395% 09-30-2036	50,000	51	55
Coastal Gaslink Pipeline LP 5.857% 06-30-2049	40,000	46	46
Enbridge Gas Distribution Inc. 7.60% 10-29-2026	50,000	65	53
Enbridge Inc. 3.10% 09-21-2033	25,000	23	23
Enbridge Inc. 4.90% 05-26-2028	115,000	115	120
Enbridge Inc. 8.747% 01-15-2084	139,000	145	165
Equitable Bank 3.91% 12-17-2027	40,000	40	40
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	25,000	26	26
Federation des Caisses Desjardins du Quebec 5.467% 11-17-2028	119,000	119	126
Ford Credit Canada Co. 7.00% 02-10-2026	105,000	105	108
Fortis Inc. 4.171% 09-09-2031	97,000	97	98
Fortis Inc. 5.677% 11-08-2033	172,000	177	189
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	47,000	47	49
Gibson Energy Inc. 8.70% 07-12-2083	77,000	79	84
Greater Toronto Airports Authority 4.53% 12-02-2041	12,000	12	12
Husky Midstream LP 4.10% 12-02-2029	94,000	94	95
Hyundai Capital Canada Inc. 4.813% 02-01-2027	131,000	131	134
Inter Pipeline Ltd. 6.75% 12-12-2054	125,000	125	125

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Manulife Bank of Canada 3.992% 02-22-2028	95,000	95	96
Northland Power Inc. 9.25% 06-30-2083	119,000	120	129
NRM Cabin Finance #2 LP/NRM Cabin Intermediate #2 LP 6.63% 07-31-2033	69,047	69	74
Pembina Pipeline Corp. 5.02% 01-12-2032	281,000	289	294
Rogers Communications Inc. 5.80% 09-21-2030	93,000	95	101
Royal Bank of Canada 4.50% 11-24-2080	75,000	70	75
Royal Bank of Canada 4.632% 05-01-2028	132,000	131	136
Royal Bank of Canada 4.642% 01-17-2028	16,000	16	17
SNC-Lavalin Group Inc. 5.70% 03-26-2029	209,000	209	218
SNC-Lavalin Group Inc. 7.00% 06-12-2026	71,000	72	74
Superior Plus LP 4.25% 05-18-2028	191,000	181	181
TELUS Corp. 4.80% 12-15-2028	55,000	55	57
TELUS Corp. 4.95% 03-28-2033	17,000	17	18
The Bank of Nova Scotia 1.95% 01-10-2025	295,000	283	295
The Bank of Nova Scotia 4.442% 11-15-2035	321,000	321	325
The Bank of Nova Scotia 5.50% 12-29-2025	42,000	42	43
The First Nations Finance Authority 4.10% 06-01-2034	107,000	106	108
The Toronto-Dominion Bank 4.344% 01-27-2026	176,000	174	178
The Toronto-Dominion Bank 4.68% 01-08-2029	86,000	85	89
The Toronto-Dominion Bank 5.376% 10-21-2027	224,000	227	235
The Toronto-Dominion Bank 5.491% 09-08-2028	139,000	139	148
The Toronto-Dominion Bank 7.283% 10-31-2082	71,000	73	75
TMX Group Ltd. 4.678% 08-16-2029	121,000	122	126
TransCanada PipeLines Ltd. 7.90% 04-15-2027	100,000	121	108
TransCanada PipeLines Ltd. 8.21% 04-25-2030	30,000	37	35
TransCanada PipeLines Ltd. 8.29% 02-05-2026	105,000	113	110
Union Gas Ltd. 8.65% 11-10-2025	6,000	8	6
Veren Inc. 4.968% 06-21-2029	110,000	111	113
Videotron Ltd. 4.50% 01-15-2030	249,000	241	252
Westcoast Energy Inc. 8.85% 07-21-2025	55,000	63	56
WSP Global Inc. 4.12% 09-12-2029	70,000	70	71

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
WSP Global Inc. 4.754% 09-12-2034	20,000	20	20
Total Corporate - Non-convertible		6,983	7,185
Total Canadian Bonds		15,217	15,436
United States Bonds			
Corporate - Non-convertible			
Wells Fargo & Co. 5.083% 04-26-2028	69,000	69	71
Total Corporate - Non-convertible		69	71
Total United States Bonds		69	71
Global Bonds			
France			
Electricite de France SA 5.379% 05-17-2034	133,000	135	139
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	131,000	122	128
Heathrow Funding Ltd. 3.726% 04-13-2033	118,000	110	112
Total Global Bonds		367	379
Total Bonds		15,653	15,886
Canadian Common Stock			
Communication Services			
Quebecor Media Inc. Class B sub. voting	806	25	25
Rogers Communications Inc. Class B non-voting	1,415	81	63
Consumer Discretionary			
BRP Inc.	413	40	30
Magna International Inc.	953	71	57

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Consumer Discretionary (continued)			
Restaurant Brands International Inc.	655	60	61
Consumer Staples			
Alimentation Couche-Tard Inc.	903	63	72
George Weston Ltd.	134	22	30
Loblaw Companies Ltd.	135	18	26
Metro Inc.	866	63	78
Saputo Inc.	669	21	17
Energy			
Suncor Energy Inc.	1,066	46	55
TC Energy Corp.	806	42	54
Tourmaline Oil Corp.	611	38	41
Financials			
Bank of Montreal	797	99	111
Brookfield Asset Management Inc. Class A	333	17	26
Brookfield Corp.	722	40	60
Manulife Financial Corp.	1,523	44	67
Royal Bank of Canada	866	116	150
Sun Life Financial Inc.	616	41	53
The Bank of Nova Scotia	757	51	58
The Toronto-Dominion Bank	1,968	159	151
Industrials			
ATS Corp.	677	29	30
Boyd Group Services Inc.	144	31	31
CAE Inc.	1,480	43	54
Canadian National Railway Co.	496	77	72
Canadian Pacific Kansas City Ltd.	586	60	61
GFL Environmental Inc.	795	44	51
RB Global Inc.	737	66	96

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Information Technology			
CGI Group Inc. Class A sub. voting	424	59	67
Open Text Corp.	926	46	38
Materials			
CCL Industries Inc. Class B non-voting	626	40	46
Franco-Nevada Corp.	215	35	36
Nutrien Ltd.	707	55	45
Real Estate			
Colliers International Group Inc.	184	29	36
Utilities			
Fortis Inc.	990	56	59
Total Canadian Common Stock		1,827	2,007
United States Common Stock			
Communication Services			
Comcast Corp. Class A	23,987	1,346	1,294
Omnicom Group Inc.	7,752	856	959
The Interpublic Group of Companies Inc.	21,610	945	871
Consumer Discretionary			
eBay Inc.	15,648	1,098	1,393
Gentex Corp.	14,731	613	609
Harley-Davidson Inc.	18,359	889	795
Polaris Inc.	6,176	850	512
Tempur Sealy International Inc.	5,021	247	409
Consumer Staples			
Kellanova	3,424	280	399
Kimberly-Clark Corp.	6,688	1,179	1,260
The Campbell's Company	15,867	991	955

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Financials			
American Express Co.	3,246	793	1,384
Ameriprise Financial Inc.	1,177	532	901
BlackRock Inc.	535	519	789
SEI Investments Co.	6,556	544	777
The Carlyle Group Inc.	6,836	332	496
Health Care			
Amgen Inc.	2,838	994	1,064
Biogen Inc.	4,032	1,263	887
Cencora Inc.	1,082	251	350
Merck & Co. Inc.	9,718	1,387	1,389
Industrials			
Cummins Inc.	1,471	489	737
Flowserve Corp.	6,353	330	525
Masco Corp.	6,576	518	686
Wabtec Corp.	2,649	409	722
Information Technology			
Gen Digital Inc.	37,662	1,147	1,482
NetApp Inc.	7,059	790	1,178
Qualcomm Inc.	5,432	1,039	1,200
Materials			
PPG Industries Inc.	7,280	1,304	1,250
Total United States Common Stock		21,935	25,273
Global Common Stock			
Australia			
Ampol Ltd.	12,197	339	306
Denmark			
Carlsberg AS	2,748	489	378

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Finland			
Konecranes OYJ	4,725	266	433
France			
Capgemini SA	1,264	318	298
Compagnie Generale des Etablissements Michelin	7,935	352	376
Kering SA	664	292	236
Germany			
BASF SE	4,532	325	287
Heidelberg Materials AG	1,593	172	283
Infineon Technologies AG	9,318	445	435
Merck KGaA	1,663	363	346
Guernsey			
Amdocs Ltd.	10,911	1,231	1,336
Ireland			
Medtronic Co. PLC	10,337	1,286	1,187
Japan			
Hakuhodo DY Holdings Inc.	18,535	242	202
Nippon Telegraph & Telephone Corp.	134,480	193	193
Shionogi & Co. Ltd.	15,564	335	314
Netherlands			
Akzo Nobel NV	4,228	427	365
Euronext NV	2,005	222	323
Koninklijke KPN NV	69,866	324	366
Norway			
Atea ASA	24,499	392	438
Gjensidige Forsikring ASA	8,521	194	217
TGS ASA	24,036	397	345

Global Value Balanced Fund 1.01BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Singapore			
DBS Group Holdings Ltd.	4,143	131	191
Sweden			
Essity AB	10,527	380	405
Switzerland			
Chubb Ltd.	2,326	929	924
Dormakaba Holding AG	393	278	401
Julius Baer Group Ltd.	4,642	361	431
Novartis AG	1,474	188	206
Roche Holding AG	1,111	465	447
United Kingdom			
GSK PLC	14,855	380	360
IMI PLC	16,543	437	542
ITV PLC	248,065	337	329
Smith & Nephew PLC	18,291	361	326
Smiths Group PLC	13,286	367	411
Unilever PLC	4,933	346	404
Total Global Common Stock		13,564	14,041
Total Stocks		37,326	41,321
Transaction Costs (note 2)		(31)	
Total Investments		52,948	57,207

Global Value Balanced Fund 1.01BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Value Balanced Fund 1.01BG (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Value Balanced Fund 1.01BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 28,724	\$ —	\$ 28,724	\$ 287
Euro	3,747	—	3,747	37
United Kingdom Pound Sterling	2,372	—	2,372	24
Other Currencies	4,473	—	4,473	45
Total	\$ 39,316	\$ —	\$ 39,316	\$ 393
As Percent of Net Assets Attributable to Contractholders				66.2%
				0.7%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 18,412	\$ 10	\$ 18,422	\$ 184
Euro	2,106	—	2,106	21
United Kingdom Pound Sterling	1,445	—	1,445	15
Other Currencies	3,241	—	3,241	32
Total	\$ 25,204	\$ 10	\$ 25,214	\$ 252
As Percent of Net Assets Attributable to Contractholders				66.6%
				0.7%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

Global Value Balanced Fund 1.01BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 415	\$ 4,459	\$ 5,870	\$ 5,142	\$ 15,886

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ —	\$ 2,771	\$ 3,981	\$ 3,297	\$ 10,049

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$1,228 (\$789 at December 31, 2023) or approximately 2.1% (2.1% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Global Value Balanced Fund 1.01BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	—	—	0.4	0.1
AA	53.4	14.3	32.6	8.7
A	16.9	4.5	39.7	10.5
BBB	19.1	5.1	21.4	5.7
BB and lower	10.6	2.8	5.9	1.6
Total	100.0	26.7	100.0	26.6

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$413 (\$264 at December 31, 2023) or approximately 0.7% (0.7% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Value Balanced Fund 1.01BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Bonds	\$	—	\$ 15,886	\$ —	\$ 15,886
Stocks		35,561	5,760	—	41,321
Total assets measured at fair value	\$	35,561	\$ 21,646	\$ —	\$ 57,207

		2023			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Bonds	\$	—	\$ 10,049	\$ —	\$ 10,049
Stocks		26,436	—	—	26,436
Total assets measured at fair value	\$	26,436	\$ 10,049	\$ —	\$ 36,485

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

Global Value Balanced Fund 1.01BG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	659,072	507,783	309,443	136,946	213,613	9,027	6,245	3,552	1,629	2,389
75/100 guarantee policy	1,172,833	890,230	545,855	294,619	42,509	15,857	10,838	6,221	3,490	475
PS1 75/75 guarantee policy	470,157	260,249	170,305	115,718	52,506	6,546	3,242	1,973	1,385	589
PS1 75/100 guarantee policy	1,317,028	936,842	408,338	249,792	76,366	18,101	11,553	4,697	2,976	855
PS2 75/75 guarantee policy	20,319	7,310	6,324	6,530	6,603	317	100	78	81	75
PS2 75/100 guarantee policy	34,414	24,354	26,929	3,392	724	537	332	333	42	8
PS 75/75 guarantee policy	142,274	104,022	66,318	48,437	196	2,054	1,333	785	587	2
PS 75/100 guarantee policy	52,641	62,859	28,936	25,028	—	750	797	340	302	—
PPS 75/75 guarantee policy	346,941	178,142	78,510	68,456	5,387	5,089	2,312	937	835	61
PPS 75/100 guarantee policy	77,285	84,759	55,682	7,786	—	1,119	1,089	660	94	—

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.70	12.30	11.48	11.90	11.19	1.40	0.82
75/100 guarantee policy	13.52	12.17	11.40	11.84	11.17	1.35	0.77
PS1 75/75 guarantee policy	13.92	12.46	11.59	11.97	11.21	1.46	0.87
PS1 75/100 guarantee policy	13.74	12.33	11.50	11.91	11.19	1.41	0.83
PS2 75/75 guarantee policy	15.61	13.62	12.36	12.46	11.39	1.99	1.26
PS2 75/100 guarantee policy	15.61	13.62	12.36	12.46	11.39	1.99	1.26
PS 75/75 guarantee policy	14.44	12.82	11.83	12.13	11.27	1.62	0.99
PS 75/100 guarantee policy	14.24	12.68	11.74	12.06	—	1.56	0.94
PPS 75/75 guarantee policy	14.67	12.98	11.94	12.19	11.29	1.69	1.04
PPS 75/100 guarantee policy	14.48	12.84	11.85	12.13	—	1.64	0.99

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Value Balanced Fund 1.01BG

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Value Balanced Fund 1.01BG

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.84	2.82	2.81	2.83	2.76
75/100 guarantee policy	3.13	3.10	3.09	3.11	3.03
PS1 75/75 guarantee policy	2.49	2.46	2.45	2.46	2.41
PS1 75/100 guarantee policy	2.77	2.74	2.72	2.76	2.69
PS 75/75 guarantee policy	1.71	1.70	1.69	1.71	1.66
PS 75/100 guarantee policy	2.00	1.98	1.97	1.99	—
PPS 75/75 guarantee policy	1.36	1.34	1.34	1.33	1.30
PPS 75/100 guarantee policy	1.64	1.62	1.62	1.63	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	53.82	49.15	34.08	78.64	42.21

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL MULTI-SECTOR BOND FUND 1.06TRP

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Multi-Sector Bond Fund 1.06TRP (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Multi-Sector Bond Fund 1.06TRP

(in Canadian \$ thousands)

Fund Manager: T Rowe Price (Canada), Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ 21
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	18	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	73,498	59,681
Total investments	73,498	59,681
Total assets	\$ 73,516	\$ 59,702
Liabilities		
Overdrafts	\$ 41	\$ —
Due to The Canada Life Assurance Company (note 8)	—	7
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	41	7
Net assets attributable to contractholders	\$ 73,475	\$ 59,695

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,745	\$ 6,312
Miscellaneous income (loss)	—	—
Total income (loss)	2,745	6,312
Expenses		
Management fees (note 8)	400	307
Other	45	34
Total expenses	445	341
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,300	\$ 5,971

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 59,695	\$ 51,938
Contractholder deposits	17,751	8,821
Contractholder withdrawals	(6,271)	(7,035)
Increase (decrease) in net assets from operations attributable to contractholders	2,300	5,971
Change in net assets attributable to contractholders	13,780	7,757
Net assets attributable to contractholders - end of year	\$ 73,475	\$ 59,695

Global Multi-Sector Bond Fund 1.06TRP

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,300	\$ 5,971
Adjustments		
Realized (gains) losses	251	752
Unrealized (gains) losses	151	(4,859)
Gross proceeds of disposition of investments	4,608	5,370
Gross payments for the purchase of investments	(15,680)	(6,801)
Distribution income of underlying mutual fund	(3,147)	(2,205)
Change in due from/to The Canada Life Assurance Company	(25)	27
Change in due from/to brokers	—	—
	<u>(11,542)</u>	<u>(1,745)</u>
Financing Activities		
Contractholder deposits	17,751	8,821
Contractholder withdrawals	(6,271)	(7,035)
	<u>11,480</u>	<u>1,786</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(62)	41
Cash, short-term deposits and overdrafts, beginning of year	21	(20)
Cash, short-term deposits and overdrafts, end of year	\$ (41)	\$ 21

Global Multi-Sector Bond Fund 1.06TRP

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
T. Rowe Price Global Multi-Sector Bond Pool	7,713,051	79,110	73,498
Total Investments		79,110	73,498

Top 25 Holdings

Security Description	% of Total
United Kingdom Treasury 4.13% 07-22-2029	5.81%
T. Rowe Price SICAV Diversified Income Bond Class S	3.03%
Republic of Malaysia 4.50% 04-15-2030	2.96%
Republic of Malaysia 4.64% 11-07-2033	2.14%
Republic of Singapore 3.38% 05-01-2034	1.96%
Federative Republic of Brazil 10.00% 01-01-2031	1.93%
Republic of Indonesia 7.00% 09-15-2030	1.79%
Federal Republic of Germany Inflation Linked 0.10% 04-15-2033	1.52%
United States Treasury 4.50% 12-31-2031	1.39%
Czech Republic 1.50% 04-24-2040	1.13%
Government of Japan 1.30% 30-20-2063	1.08%
Federal Republic of Germany 2.50% 08-15-2054	1.07%
United Kingdom Treasury 4.00% 10-22-2063	1.00%
Republic of Colombia 13.25% 02-09-2033	0.99%
Republic of India 6.54% 01-17-2032	0.88%
United States Treasury 4.38% 12-31-2029	0.83%
Republic of South Africa 7.95% 11-19-2054	0.76%
Republic of South Africa 8.88% 02-28-2035	0.75%
Republic of Indonesia 7.38% 10-15-2030	0.74%
Republic of India 7.18% 08-14-2033	0.72%
United Mexican States 6.00% 04-01-2033	0.71%
Canadian Imperial Bank of Commerce 4.51% 09-11-2027	0.70%
Sumitomo Mitsui Trust Bank 4.45% 09-10-2027	0.64%
Barclays PLC 4.84% 09-10-2028	0.60%
Argentine Republic 1.00% 07-09-2029	0.56%

Global Multi-Sector Bond Fund 1.06TRP

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	340,452	291,235	256,701	316,185	622,943	3,395	2,853	2,300	3,442	6,887
75/100 guarantee policy	635,104	483,762	487,549	420,331	134,833	6,285	4,711	4,350	4,564	1,489
PS1 75/75 guarantee policy	433,582	261,564	276,858	276,993	96,661	4,410	2,603	2,509	3,037	1,072
PS1 75/100 guarantee policy	553,248	468,194	421,945	419,649	92,565	5,584	4,630	3,808	4,589	1,025
PS2 75/75 guarantee policy	7,521	12,337	14,684	46,161	13,188	84	132	140	523	148
PS2 75/100 guarantee policy	47,643	14,578	15,809	27,720	10,170	532	156	151	314	114
PS 75/75 guarantee policy	41,677	32,810	21,519	25,378	1,490	426	328	196	279	17
PS 75/100 guarantee policy	51,915	61,136	79,283	111,300	38,721	527	607	718	1,219	429
PPS 75/75 guarantee policy	64,439	49,819	46,919	31,814	—	672	506	432	352	—
PPS 75/100 guarantee policy	63,382	94,820	100,192	81,795	51,218	656	957	917	903	569

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.97	9.80	8.96	10.89	11.06	0.17	0.84
75/100 guarantee policy	9.90	9.74	8.92	10.86	11.04	0.16	0.82
PS1 75/75 guarantee policy	10.17	9.95	9.06	10.97	11.09	0.22	0.89
PS1 75/100 guarantee policy	10.09	9.89	9.02	10.94	11.08	0.20	0.87
PS2 75/75 guarantee policy	11.17	10.71	9.56	11.33	11.23	0.46	1.15
PS2 75/100 guarantee policy	11.17	10.71	9.56	11.33	11.23	0.46	1.15
PS 75/75 guarantee policy	10.23	10.00	9.09	10.99	11.09	0.23	0.91
PS 75/100 guarantee policy	10.15	9.94	9.05	10.96	11.08	0.21	0.89
PPS 75/75 guarantee policy	10.44	10.15	9.20	11.06	—	0.29	0.95
PPS 75/100 guarantee policy	10.36	10.09	9.16	11.04	11.12	0.27	0.93

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Multi-Sector Bond Fund 1.06TRP (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Multi-Sector Bond Fund 1.06TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Multi-Sector Bond Fund 1.06TRP

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.48	2.45	2.47	2.50	2.41
75/100 guarantee policy	2.65	2.62	2.63	2.64	2.59
PS1 75/75 guarantee policy	2.06	2.03	2.05	2.05	1.97
PS1 75/100 guarantee policy	2.23	2.20	2.22	2.22	2.14
PS 75/75 guarantee policy	1.92	1.90	1.91	1.93	1.88
PS 75/100 guarantee policy	2.09	2.06	2.08	2.08	2.05
PPS 75/75 guarantee policy	1.50	1.48	1.49	1.49	—
PPS 75/100 guarantee policy	1.67	1.65	1.65	1.67	1.59

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.13	2.10	2.12	2.12	2.08
PS1 75/100 guarantee policy	2.30	2.27	2.29	2.29	2.25
PPS 75/75 guarantee policy	1.57	1.55	1.56	1.56	—
PPS 75/100 guarantee policy	1.74	1.72	1.72	1.74	1.70

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.92	9.66	16.93	14.97	0.32

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL EQUITY FUND 1.08CG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Equity Fund 1.08CG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Equity Fund 1.08CG

(in Canadian \$ thousands)

Fund Manager: Capital Group

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	16
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	72,410	55,205
Total investments	72,410	55,205
Total assets	\$ 72,410	\$ 55,221
Liabilities		
Overdrafts	\$ 8	\$ 36
Due to The Canada Life Assurance Company (note 8)	152	12
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	160	48
Net assets attributable to contractholders	\$ 72,250	\$ 55,173

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 16,419	\$ 7,784
Miscellaneous income (loss)	—	—
Total income (loss)	16,419	7,784
Expenses		
Management fees (note 8)	1,657	1,269
Other	179	135
Total expenses	1,836	1,404
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 14,583	\$ 6,380

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 55,173	\$ 45,383
Contractholder deposits	11,702	8,774
Contractholder withdrawals	(9,208)	(5,364)
Increase (decrease) in net assets from operations attributable to contractholders	14,583	6,380
Change in net assets attributable to contractholders	17,077	9,790
Net assets attributable to contractholders - end of year	\$ 72,250	\$ 55,173

Global Equity Fund 1.08CG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 14,583	\$ 6,380
Adjustments		
Realized (gains) losses	(1,088)	226
Unrealized (gains) losses	(14,616)	(7,171)
Gross proceeds of disposition of investments	7,334	4,223
Gross payments for the purchase of investments	(8,120)	(6,227)
Distribution income of underlying mutual fund	(715)	(839)
Change in due from/to The Canada Life Assurance Company	140	(24)
Change in due from/to brokers	16	66
	<u>(2,466)</u>	<u>(3,366)</u>
Financing Activities		
Contractholder deposits	11,702	8,774
Contractholder withdrawals	(9,208)	(5,364)
	<u>2,494</u>	<u>3,410</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	28	44
Cash, short-term deposits and overdrafts, beginning of year	(36)	(80)
Cash, short-term deposits and overdrafts, end of year	\$ (8)	\$ (36)

Global Equity Fund 1.08CG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Capital Group Global Equity Fund (Canada) Series I	1,155,580	57,608	72,410
Total Investments		57,608	72,410

Top 25 Holdings

Security Description	% of Total
Broadcom Inc.	5.83%
Taiwan Semiconductor Manufacturing Co. Ltd.	5.76%
Microsoft Corp.	3.89%
Cash and short-term deposits	3.83%
NVIDIA Corp.	2.72%
Eli Lilly and Co.	2.52%
Novo Nordisk AS	2.25%
UnitedHealth Group Inc.	2.11%
Meta Platforms Inc.	1.86%
Alphabet Inc. Class A	1.80%
Amazon.com Inc.	1.72%
Vertex Pharmaceuticals Inc.	1.71%
Apple Inc.	1.69%
Apollo Global Management Inc.	1.30%
The Blackstone Group Inc.	1.25%
Fairfax Financial Holdings Ltd. sub. voting	1.12%
Flutter Entertainment PLC	1.09%
BAE Systems PLC	1.07%
Booking Holdings Inc.	0.93%
Canadian Natural Resources Ltd.	0.91%
Tourmaline Oil Corp.	0.90%
Linde PLC	0.83%
MicroStrategy Inc. Class A	0.81%
Arthur J. Gallagher & Co.	0.79%
Safran SA	0.77%

Global Equity Fund 1.08CG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	504,249	529,545	579,234	484,152	283,387	7,622	6,375	6,151	6,691	3,600
75/100 guarantee policy	1,134,714	1,176,160	1,169,283	786,526	135,241	16,894	13,991	12,312	10,813	1,714
PS1 75/75 guarantee policy	620,090	519,300	493,662	424,702	158,471	9,528	6,332	5,292	5,905	2,018
PS1 75/100 guarantee policy	1,755,455	1,605,230	1,365,096	1,116,883	424,175	26,565	19,341	14,508	15,445	5,390
PS2 75/75 guarantee policy	60,914	58,272	57,501	30,911	—	1,057	781	659	448	—
PS2 75/100 guarantee policy	50,562	109,476	105,142	109,740	280	880	1,470	1,208	1,593	4
PS 75/75 guarantee policy	51,989	55,785	39,843	24,325	4,737	827	699	436	342	60
PS 75/100 guarantee policy	133,779	101,279	64,053	53,410	5,458	2,096	1,254	694	747	70
PPS 75/75 guarantee policy	190,438	173,700	168,387	113,491	27,836	3,079	2,204	1,858	1,606	357
PPS 75/100 guarantee policy	232,481	217,428	207,058	144,108	1,470	3,702	2,726	2,265	2,029	19

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.12	12.04	10.62	13.82	12.70	3.08	1.42
75/100 guarantee policy	14.89	11.90	10.53	13.75	12.68	2.99	1.37
PS1 75/75 guarantee policy	15.37	12.19	10.72	13.90	12.73	3.18	1.47
PS1 75/100 guarantee policy	15.13	12.05	10.63	13.83	12.71	3.08	1.42
PS2 75/75 guarantee policy	17.35	13.40	11.46	14.48	—	3.95	1.94
PS2 75/100 guarantee policy	17.39	13.43	11.49	14.51	12.95	3.96	1.94
PS 75/75 guarantee policy	15.91	12.53	10.93	14.07	12.80	3.38	1.60
PS 75/100 guarantee policy	15.67	12.38	10.84	13.99	12.77	3.29	1.54
PPS 75/75 guarantee policy	16.17	12.69	11.03	14.15	12.82	3.48	1.66
PPS 75/100 guarantee policy	15.92	12.54	10.94	14.08	12.80	3.38	1.60

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Equity Fund 1.08CG (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Equity Fund 1.08CG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Equity Fund 1.08CG

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.08	3.05	3.01	2.97	3.02
75/100 guarantee policy	3.41	3.38	3.33	3.31	3.35
PS1 75/75 guarantee policy	2.72	2.70	2.67	2.62	2.64
PS1 75/100 guarantee policy	3.06	3.03	2.99	2.97	2.96
PS 75/75 guarantee policy	1.96	1.94	1.91	1.88	1.92
PS 75/100 guarantee policy	2.30	2.27	2.25	2.23	2.25
PPS 75/75 guarantee policy	1.61	1.59	1.57	1.54	1.52
PPS 75/100 guarantee policy	1.94	1.93	1.90	1.88	1.86

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.72	2.70	2.67	2.62	2.68
PS1 75/100 guarantee policy	3.06	3.03	2.99	2.97	3.00
PPS 75/75 guarantee policy	1.61	1.59	1.57	1.54	1.56
PPS 75/100 guarantee policy	1.94	1.93	1.90	1.88	1.90

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	11.21	8.39	11.13	13.30	1.38

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL FOUNDERS FUND 1.00BG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Founders Fund 1.00BG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Founders Fund 1.00BG

(in Canadian \$ thousands)

Fund Manager: Beutel, Goodman & Company Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 1,284	\$ 276
Investment income due and accrued	48	26
Due from The Canada Life Assurance Company (note 7)	43	60
Due from brokers	4	—
Due from outside parties	—	—
Investments		
Bonds	—	—
Stocks	35,916	24,864
Investment fund units	—	—
Total investments	35,916	24,864
Total assets	\$ 37,295	\$ 25,226
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	—	—
Due to brokers	85	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	85	—
Net assets attributable to contractholders	\$ 37,210	\$ 25,226

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 4,990	\$ 2,362
Miscellaneous income (loss)	(8)	(3)
Total income (loss)	4,982	2,359
Expenses		
Management fees (note 7)	483	292
Transaction costs	22	10
Withholding taxes	94	70
Other	53	32
Total expenses	652	404
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,330	\$ 1,955

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 25,226	\$ 16,791
Contractholder deposits	10,760	9,374
Contractholder withdrawals	(3,106)	(2,894)
Increase (decrease) in net assets from operations attributable to contractholders	4,330	1,955
Change in net assets attributable to contractholders	11,984	8,435
Net assets attributable to contractholders - end of year	\$ 37,210	\$ 25,226

Global Founders Fund 1.00BG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,330	\$ 1,955
Adjustments		
Realized (gains) losses	(2,486)	19
Unrealized (gains) losses	(1,695)	(1,768)
Gross proceeds of disposition of investments	7,699	1,510
Gross payments for the purchase of investments	(14,570)	(8,549)
Change in investment income due and accrued	(22)	(8)
Change in due from/to The Canada Life Assurance Company	17	(62)
Change in due from/to brokers	81	—
Change in due from/to outside parties	—	—
	(6,646)	(6,903)
Financing Activities		
Contractholder deposits	10,760	9,374
Contractholder withdrawals	(3,106)	(2,894)
	7,654	6,480
Net increase (decrease) in cash, short-term deposits and overdrafts	1,008	(423)
Cash, short-term deposits and overdrafts, beginning of year	276	699
Cash, short-term deposits and overdrafts, end of year	\$ 1,284	\$ 276
Supplementary cash flow information		
Dividend income received	\$ 739	\$ 574

Global Founders Fund 1.00BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock			
Communication Services			
Quebecor Media Inc. Class B sub. voting	716	22	23
Rogers Communications Inc. Class B non-voting	1,251	73	55
Consumer Discretionary			
BRP Inc.	367	36	27
Magna International Inc.	842	66	51
Restaurant Brands International Inc.	582	52	55
Consumer Staples			
Alimentation Couche-Tard Inc.	794	53	63
George Weston Ltd.	114	16	25
Loblaw Companies Ltd.	122	16	23
Metro Inc.	767	53	69
Saputo Inc.	695	23	17
Energy			
Suncor Energy Inc.	939	37	48
TC Energy Corp.	715	37	48
Tourmaline Oil Corp.	540	33	36
Financials			
Bank of Montreal	705	87	98
Brookfield Asset Management Inc. Class A	296	14	23
Brookfield Corp.	632	33	52
Manulife Financial Corp.	1,346	37	59
Royal Bank of Canada	791	103	137
Sun Life Financial Inc.	542	35	46
The Bank of Nova Scotia	672	46	52
The Toronto-Dominion Bank	1,798	143	138
Industrials			
ATS Corp.	614	26	27
Boyd Group Services Inc.	128	28	28
CAE Inc.	1,308	39	48

Global Founders Fund 1.00BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Common Stock (continued)			
Industrials (continued)			
Canadian National Railway Co.	433	66	63
Canadian Pacific Kansas City Ltd.	536	54	56
GFL Environmental Inc.	697	38	45
RB Global Inc.	652	55	85
Information Technology			
CGI Group Inc. Class A sub. voting	370	50	58
Open Text Corp.	821	42	33
Materials			
CCL Industries Inc. Class B non-voting	555	36	41
Franco-Nevada Corp.	191	31	32
Nutrien Ltd.	618	47	40
Real Estate			
Colliers International Group Inc.	167	25	33
Utilities			
Fortis Inc.	871	48	52
Total Canadian Common Stock		1,600	1,786
United States Common Stock			
Communication Services			
Comcast Corp. Class A	19,699	1,119	1,063
Omnicom Group Inc.	6,366	673	788
The Interpublic Group of Companies Inc.	17,747	779	715
Consumer Discretionary			
eBay Inc.	12,850	934	1,144
Gentex Corp.	12,095	510	500
Harley-Davidson Inc.	15,076	742	653
Polaris Inc.	5,068	718	420
Tempur Sealy International Inc.	4,123	182	336

Global Founders Fund 1.00BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Common Stock (continued)			
Consumer Staples			
Kellanova	2,816	225	328
Kimberly-Clark Corp.	5,490	963	1,034
The Campbell's Company	13,030	805	785
Financials			
American Express Co.	2,671	618	1,140
Ameriprise Financial Inc.	965	394	739
BlackRock Inc.	447	417	659
SEI Investments Co.	5,386	439	639
The Carlyle Group Inc.	5,618	265	408
Health Care			
Amgen Inc.	2,326	779	872
Biogen Inc.	3,307	1,061	727
Cencora Inc.	891	178	288
Merck & Co. Inc.	7,975	1,097	1,141
Industrials			
Cummins Inc.	1,214	391	608
Flowserve Corp.	5,222	267	432
Masco Corp.	5,398	398	563
Wabtec Corp.	2,171	304	592
Information Technology			
Gen Digital Inc.	30,924	939	1,216
NetApp Inc.	5,797	615	968
Qualcomm Inc.	4,452	833	983
Materials			
PPG Industries Inc.	5,981	1,077	1,027
Total United States Common Stock		17,722	20,768

Global Founders Fund 1.00BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock			
Australia			
Ampol Ltd.	12,248	338	307
Denmark			
Carlsberg AS	2,707	490	373
Finland			
Konecranes OYJ	4,657	261	427
France			
Capgemini SA	1,269	320	299
Compagnie Generale des Etablissements Michelin	7,964	357	377
Kering SA	668	292	237
Germany			
BASF SE	4,464	341	282
Heidelberg Materials AG	1,572	170	279
Infineon Technologies AG	9,187	438	429
Merck KGaA	1,642	357	342
Guernsey			
Amdocs Ltd.	8,959	964	1,097
Ireland			
Medtronic Co. PLC	8,491	1,056	975
Japan			
Hakuhodo DY Holdings Inc.	18,330	249	199
Nippon Telegraph & Telephone Corp.	133,014	188	191
Shionogi & Co. Ltd.	15,358	340	309
Netherlands			
Akzo Nobel NV	4,242	442	366
Euronext NV	2,012	217	324
Koninklijke KPN NV	70,105	318	367

Global Founders Fund 1.00BG

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Common Stock (continued)			
Norway			
Atea ASA	24,165	402	432
Gjensidige Forsikring ASA	8,407	193	214
TGS ASA	23,778	380	341
 Singapore			
DBS Group Holdings Ltd.	4,152	128	191
 Sweden			
Essity AB	10,384	383	399
 Switzerland			
Chubb Ltd.	1,907	761	758
Dormakaba Holding AG	386	279	394
Julius Baer Group Ltd.	4,578	345	425
Novartis AG	1,452	178	203
Roche Holding AG	1,104	472	444
 United Kingdom			
GSK PLC	14,916	386	361
IMI PLC	16,602	446	544
ITV PLC	248,983	359	330
Smith & Nephew PLC	18,357	375	328
Smiths Group PLC	13,336	364	413
Unilever PLC	4,950	343	405
 Total Global Common Stock		12,932	13,362
 Total Stocks		32,254	35,916
 Transaction Costs (note 2)		(37)	
 Total Investments		32,217	35,916

Global Founders Fund 1.00BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Global Founders Fund 1.00BG (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Global Founders Fund 1.00BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 23,597	\$ —	\$ 23,597	\$ 236
Euro	3,729	—	3,729	37
United Kingdom Pound Sterling	2,381	—	2,381	24
Other Currencies	4,422	—	4,422	44
Total	\$ 34,129	\$ —	\$ 34,129	\$ 341
As Percent of Net Assets Attributable to Contractholders			91.7%	0.9%

*Includes both monetary and non-monetary instruments

2023

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ 16,308	\$ 2	\$ 16,310	\$ 163
Euro	2,261	—	2,261	23
United Kingdom Pound Sterling	1,552	—	1,552	16
Other Currencies	3,480	2	3,482	34
Total	\$ 23,601	\$ 4	\$ 23,605	\$ 236
As Percent of Net Assets Attributable to Contractholders			93.6%	0.9%

*Includes both monetary and non-monetary instruments

D. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$359 (\$249 at December 31, 2023) or approximately 1.0% (1.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Global Founders Fund 1.00BG

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	30,232	\$ 5,684	\$ —	\$ 35,916
Total assets measured at fair value	\$	30,232	\$ 5,684	\$ —	\$ 35,916

		2023			
		Assets and Liabilities Measured at Fair Value			
<u>Assets measured at fair value</u>		Level 1	Level 2	Level 3	Total
Stocks	\$	24,864	\$ —	\$ —	\$ 24,864
Total assets measured at fair value	\$	24,864	\$ —	\$ —	\$ 24,864

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for certain non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, non-North American equities are frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at December 31, 2024, these securities were classified as Level 2 (Level 1 at December 31, 2023).

Global Founders Fund 1.00BG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	282,054	178,610	104,072	58,534	125,655	4,461	2,457	1,323	745	1,449
75/100 guarantee policy	451,728	371,828	206,608	119,791	30,892	7,034	5,054	2,603	1,517	356
PS1 75/75 guarantee policy	163,400	93,195	57,748	37,362	1,671	2,627	1,299	741	478	19
PS1 75/100 guarantee policy	503,503	356,015	162,443	114,037	14,416	7,970	4,901	2,065	1,452	166
PS2 75/75 guarantee policy	57,932	39,619	31,059	5,011	3,199	1,043	603	425	67	38
PS2 75/100 guarantee policy	9,073	10,031	6,400	38,071	—	163	153	88	507	—
PS 75/75 guarantee policy	36,734	34,271	30,300	17,936	859	612	491	397	233	10
PS 75/100 guarantee policy	17,069	14,273	13,151	38,783	579	280	202	171	500	7
PPS 75/75 guarantee policy	26,828	24,750	23,561	11,107	939	454	359	311	145	11
PPS 75/100 guarantee policy	15,163	11,447	6,239	15,695	1,611	253	164	82	204	19

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.82	13.76	12.71	12.73	11.54	2.06	1.05
75/100 guarantee policy	15.57	13.59	12.60	12.66	11.51	1.98	0.99
PS1 75/75 guarantee policy	16.08	13.94	12.83	12.80	11.56	2.14	1.11
PS1 75/100 guarantee policy	15.83	13.77	12.72	12.73	11.54	2.06	1.05
PS2 75/75 guarantee policy	18.00	15.23	13.68	13.33	11.74	2.77	1.55
PS2 75/100 guarantee policy	18.00	15.23	13.68	13.33	—	2.77	1.55
PS 75/75 guarantee policy	16.65	14.33	13.09	12.97	11.62	2.32	1.24
PS 75/100 guarantee policy	16.40	14.15	12.97	12.89	11.59	2.25	1.18
PPS 75/75 guarantee policy	16.92	14.51	13.21	13.04	11.64	2.41	1.30
PPS 75/100 guarantee policy	16.67	14.34	13.09	12.97	11.62	2.33	1.25

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Stocks

Stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes dividend income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Founders Fund 1.00BG

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Founders Fund 1.00BG

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.81	2.78	2.79	2.85	2.76
75/100 guarantee policy	3.14	3.11	3.12	3.18	3.09
PS1 75/75 guarantee policy	2.45	2.43	2.42	2.49	2.41
PS1 75/100 guarantee policy	2.79	2.76	2.75	2.82	2.74
PS 75/75 guarantee policy	1.69	1.68	1.67	1.69	1.66
PS 75/100 guarantee policy	2.03	2.01	2.03	2.05	1.98
PPS 75/75 guarantee policy	1.34	1.33	1.32	1.34	1.30
PPS 75/100 guarantee policy	1.67	1.66	1.69	1.69	1.64

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	25.38	7.18	28.17	36.15	17.66

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL GROWTH EQUITY FUND 1.07TRP

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Growth Equity Fund 1.07TRP (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Growth Equity Fund 1.07TRP

(in Canadian \$ thousands)

Fund Manager: T Rowe Price (Canada), Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 38	\$ 39
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	30	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	87,293	73,433
Total investments	87,293	73,433
Total assets	\$ 87,361	\$ 73,472
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	6
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	6
Net assets attributable to contractholders	\$ 87,361	\$ 73,466

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 21,111	\$ 12,280
Miscellaneous income (loss)	—	—
Total income (loss)	21,111	12,280
Expenses		
Management fees (note 8)	977	819
Other	104	85
Total expenses	1,081	904
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 20,030	\$ 11,376

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 73,466	\$ 63,563
Contractholder deposits	5,335	6,213
Contractholder withdrawals	(11,470)	(7,686)
Increase (decrease) in net assets from operations attributable to contractholders	20,030	11,376
Change in net assets attributable to contractholders	13,895	9,903
Net assets attributable to contractholders - end of year	\$ 87,361	\$ 73,466

Global Growth Equity Fund 1.07TRP

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 20,030	\$ 11,376
Adjustments		
Realized (gains) losses	(368)	1,666
Unrealized (gains) losses	(17,586)	(13,271)
Gross proceeds of disposition of investments	12,346	7,987
Gross payments for the purchase of investments	(5,095)	(5,547)
Distribution income of underlying mutual fund	(3,157)	(675)
Change in due from/to The Canada Life Assurance Company	(36)	115
Change in due from/to brokers	—	—
	<u>6,134</u>	<u>1,651</u>
Financing Activities		
Contractholder deposits	5,335	6,213
Contractholder withdrawals	(11,470)	(7,686)
	<u>(6,135)</u>	<u>(1,473)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(1)	178
Cash, short-term deposits and overdrafts, beginning of year	<u>39</u>	<u>(139)</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ 38</u>	<u>\$ 39</u>

Global Growth Equity Fund 1.07TRP

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
T. Rowe Price Global Growth Equity Pool	4,603,967	79,040	87,293
Total Investments		79,040	87,293

Top 25 Holdings

Security Description	% of Total
NVIDIA Corp.	4.43%
Apple Inc.	4.17%
Microsoft Corp.	4.03%
Amazon.com Inc.	3.27%
Alphabet Inc. Class C	2.69%
Meta Platforms Inc.	2.47%
Eli Lilly and Co.	1.82%
Tesla Inc.	1.40%
Bank of America Corp.	1.34%
Netflix Inc.	1.10%
PT Sumber Alfaria Trijaya TBK	1.06%
Taiwan Semiconductor Manufacturing Co. Ltd.	1.05%
The Charles Schwab Corp.	1.02%
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	0.95%
Intuitive Surgical Inc.	0.92%
Tencent Holdings Ltd.	0.92%
Mastercard Inc. Class A	0.90%
Roper Technologies Inc.	0.88%
Stryker Corp.	0.88%
Shopify Inc.	0.87%
BDO Unibank Inc.	0.85%
Broadcom Inc.	0.84%
FPT Corp.	0.81%
Recruit Holdings Co. Ltd.	0.81%
SM Investments Corp.	0.81%

Global Growth Equity Fund 1.07TRP

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 4 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	483,838	506,811	580,658	512,438	652,058	7,304	6,072	5,999	7,184	8,545
75/100 guarantee policy	797,413	792,306	807,732	811,068	145,342	11,851	9,377	8,270	11,307	1,900
PS1 75/75 guarantee policy	416,104	358,795	372,427	330,803	87,003	6,390	4,357	3,886	4,668	1,143
PS1 75/100 guarantee policy	801,034	787,553	766,726	834,174	181,710	12,113	9,449	7,931	11,707	2,383
PS2 75/75 guarantee policy	60,109	75,523	81,029	104,359	24,849	1,048	1,012	908	1,539	332
PS2 75/100 guarantee policy	68,491	121,888	117,955	153,991	31,168	1,195	1,636	1,323	2,273	417
PS 75/75 guarantee policy	20,096	26,618	29,874	27,789	3,547	319	332	318	397	47
PS 75/100 guarantee policy	33,667	35,082	42,117	88,225	8,629	527	432	444	1,253	114
PPS 75/75 guarantee policy	7,765	8,105	11,609	19,264	4,807	125	102	125	276	64
PPS 75/100 guarantee policy	42,719	81,898	83,585	91,277	3,719	680	1,023	890	1,304	49

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.10	11.98	10.33	14.02	13.10	3.12	1.65
75/100 guarantee policy	14.86	11.83	10.24	13.94	13.07	3.03	1.59
PS1 75/75 guarantee policy	15.36	12.14	10.43	14.11	13.14	3.22	1.71
PS1 75/100 guarantee policy	15.12	12.00	10.34	14.03	13.11	3.12	1.66
PS2 75/75 guarantee policy	17.43	13.41	11.21	14.74	13.35	4.02	2.20
PS2 75/100 guarantee policy	17.45	13.42	11.22	14.76	13.37	4.03	2.20
PS 75/75 guarantee policy	15.89	12.47	10.64	14.28	13.20	3.42	1.83
PS 75/100 guarantee policy	15.65	12.32	10.54	14.20	13.17	3.33	1.78
PPS 75/75 guarantee policy	16.15	12.63	10.73	14.35	13.22	3.52	1.90
PPS 75/100 guarantee policy	15.92	12.49	10.65	14.29	13.20	3.43	1.84

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Growth Equity Fund 1.07TRP (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Growth Equity Fund 1.07TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Growth Equity Fund 1.07TRP

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.14	3.11	3.09	3.15	3.10
75/100 guarantee policy	3.47	3.44	3.43	3.48	3.43
PS1 75/75 guarantee policy	2.77	2.75	2.74	2.78	2.67
PS1 75/100 guarantee policy	3.11	3.08	3.07	3.11	3.00
PS 75/75 guarantee policy	2.02	2.01	1.99	2.01	2.01
PS 75/100 guarantee policy	2.36	2.34	2.34	2.37	2.34
PPS 75/75 guarantee policy	1.66	1.65	1.64	1.65	1.56
PPS 75/100 guarantee policy	1.99	1.98	1.97	2.00	1.91

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.77	2.75	2.74	2.80	2.75
PS1 75/100 guarantee policy	3.11	3.08	3.07	3.13	3.08
PPS 75/75 guarantee policy	1.66	1.65	1.64	1.67	1.64
PPS 75/100 guarantee policy	1.99	1.98	1.97	2.02	1.99

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.25	8.05	12.04	9.34	0.10

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SUSTAINABLE GLOBAL BOND FUND 2.34JPM

December 31, 2024

Independent Auditor's Report

To the Contractholders of Sustainable Global Bond Fund 2.34JPM (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statement of financial position as at December 31, 2024, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Sustainable Global Bond Fund 2.34JPM

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	454	—
Total investments	454	—
Total assets	\$ 454	\$ —
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 454	\$ —

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 1	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	1	—
Expenses		
Management fees (note 8)	4	—
Other	—	—
Total expenses	4	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ (3)	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ —	\$ —
Contractholder deposits	479	—
Contractholder withdrawals	(22)	—
Increase (decrease) in net assets from operations attributable to contractholders	(3)	—
Change in net assets attributable to contractholders	454	—
Net assets attributable to contractholders - end of year	\$ 454	\$ —

Sustainable Global Bond Fund 2.34JPM

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ (3)	\$ —
Adjustments		
Realized (gains) losses	—	—
Unrealized (gains) losses	15	—
Gross proceeds of disposition of investments	74	—
Gross payments for the purchase of investments	(527)	—
Distribution income of underlying mutual fund	(16)	—
Change in due from/to The Canada Life Assurance Company	—	—
Change in due from/to brokers	—	—
	(457)	—
Financing Activities		
Contractholder deposits	479	—
Contractholder withdrawals	(22)	—
	457	—
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Sustainable Global Bond Fund 2.34JPM

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Global Bond Fund Series S *	51,847	469	454
Total Investments		469	454

Top 25 Holdings

Security Description	% of Total
United States Treasury 4.38% 05-15-2034	9.53%
United States Treasury 3.88% 08-15-2034	5.39%
United States Treasury 4.63% 04-30-2031	3.44%
United States Treasury 4.25% 06-30-2031	3.33%
Government of Spain 3.55% 10-31-2033 144A	2.85%
Cash and short-term deposits	2.50%
Republic of Italy 3.85% 02-01-2035	2.04%
Federal Home Loan Mortgage Corp. 4.50% 09-01-2052	2.03%
Government of Japan 1.50% 09-20-2043	1.95%
Government National Mortgage Assoc. 5.50% 01-20-2053	1.89%
Government of Japan 0.90% 09-20-2034	1.70%
Federal National Mortgage Assoc. 2.50% 10-01-2051	1.67%
Province of Ontario 3.65% 06-02-2033	1.59%
Province of Quebec 3.60% 09-01-2033	1.58%
Italy Buoni Poliennali del Tesoro 4.20% 03-01-2034	1.49%
Italy Buoni Poliennali del Tesoro 3.85% 07-01-2034	1.36%
Republic of France 2.75% 02-25-2030 144A	1.29%
Federal Republic of Germany 2.50% 08-15-2054	1.28%
Federal National Mortgage Assoc. 3.50% 04-01-2052	1.22%
Federal Republic of Germany 2.60% 08-15-2034	1.22%
United Mexican States 7.75% 05-29-2031	1.17%
Federal Home Loan Mortgage Corp. 5.50% 05-01-2053	1.11%
Federal Home Loan Mortgage Corp. 6.00% 08-01-2053	1.08%
Federal National Mortgage Assoc. 5.00% 11-01-2053	1.07%
United Kingdom Treasury 3.75% 10-22-2053	1.06%

*The issuer of this security is a related company to the issuer of the Fund.

Sustainable Global Bond Fund 2.34JPM

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	12,437	10	—	—	—	124	—	—	—	—
75/100 guarantee policy	18,248	—	—	—	—	182	—	—	—	—
PS1 75/75 guarantee policy	6,578	—	—	—	—	66	—	—	—	—
PS1 75/100 guarantee policy	2,026	—	—	—	—	20	—	—	—	—
PS 75/100 guarantee policy	1,295	—	—	—	—	13	—	—	—	—
PPS 75/100 guarantee policy	4,165	—	—	—	—	42	—	—	—	—
75/100 Constellation	736	—	—	—	—	7	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.96	9.94	—	—	—	0.02	(0.06)
75/100 guarantee policy	9.96	—	—	—	—	0.01	—
PS1 75/75 guarantee policy	10.02	—	—	—	—	0.05	—
PS1 75/100 guarantee policy	10.01	—	—	—	—	0.05	—
PS 75/100 guarantee policy	10.03	—	—	—	—	0.06	—
PPS 75/100 guarantee policy	10.08	—	—	—	—	0.11	—
75/100 Constellation	10.02	—	—	—	—	0.05	—

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Sustainable Global Bond Fund 2.34JPM (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Sustainable Global Bond Fund 2.34JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

Sustainable Global Bond Fund 2.34JPM

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.33	2.28	—	—	—
75/100 guarantee policy	2.50	—	—	—	—
PS 75/100 guarantee policy	1.95	—	—	—	—
PPS 75/100 guarantee policy	1.54	—	—	—	—
75/100 Constellation	2.04	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	36.91	—	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SUSTAINABLE GLOBAL EQUITY FUND 2.35JPM

December 31, 2024

Independent Auditor's Report

To the Contractholders of Sustainable Global Equity Fund 2.35JPM (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year ended December 31, 2024 and the period ended December 31, 2023, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and the period ended December 31, 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Sustainable Global Equity Fund 2.35JPM

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ 2	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	3	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	752	50
Total investments	752	50
Total assets	\$ 757	\$ 50
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 757	\$ 50

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 22	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	22	—
Expenses		
Management fees (note 8)	5	—
Other	—	—
Total expenses	5	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 17	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ 50	\$ —
Contractholder deposits	729	50
Contractholder withdrawals	(39)	—
Increase (decrease) in net assets from operations attributable to contractholders	17	—
Change in net assets attributable to contractholders	707	50
Net assets attributable to contractholders - end of year	\$ 757	\$ 50

Sustainable Global Equity Fund 2.35JPM

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 17	\$ —
Adjustments		
Realized (gains) losses	(4)	—
Unrealized (gains) losses	5	1
Gross proceeds of disposition of investments	55	—
Gross payments for the purchase of investments	(735)	(50)
Distribution income of underlying mutual fund	(23)	(1)
Change in due from/to The Canada Life Assurance Company	(3)	—
Change in due from/to brokers	—	—
	(688)	(50)
Financing Activities		
Contractholder deposits	729	50
Contractholder withdrawals	(39)	—
	690	50
Net increase (decrease) in cash, short-term deposits and overdrafts	2	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ 2</u>	<u>\$ —</u>

Sustainable Global Equity Fund 2.35JPM

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Global Equity Fund Series S *	53,430	757	752
Total Investments		757	752

Top 25 Holdings

Security Description	% of Total
Microsoft Corp.	7.06%
Amazon.com Inc.	5.98%
NVIDIA Corp.	5.86%
Mastercard Inc. Class A	3.79%
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.67%
NextEra Energy Inc.	2.45%
AbbVie Inc.	2.31%
Linde PLC	2.24%
LVMH Moet Hennessy Louis Vuitton SE	2.21%
London Stock Exchange Group PLC	2.20%
CME Group Inc.	1.98%
Fidelity National Information Services Inc.	1.92%
ASML Holding NV	1.89%
Apple Inc.	1.88%
UnitedHealth Group Inc.	1.87%
Cash and short-term deposits	1.83%
SSE PLC	1.82%
Lowe's Companies Inc.	1.69%
Vertex Pharmaceuticals Inc.	1.69%
Burlington Stores Inc.	1.68%
The Charles Schwab Corp.	1.68%
Marvell Technology Group Ltd.	1.63%
Trane Technologies PLC	1.61%
Ross Stores Inc.	1.54%
Bristol-Myers Squibb Co.	1.53%

*The issuer of this security is a related company to the issuer of the Fund.

Sustainable Global Equity Fund 2.35JPM

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	4,309	4,789	—	—	—	54	48	—	—	—
75/100 guarantee policy	21,950	178	—	—	—	274	2	—	—	—
PS1 75/75 guarantee policy	11,428	—	—	—	—	144	—	—	—	—
PS1 75/100 guarantee policy	21,877	—	—	—	—	274	—	—	—	—
PS2 75/100 guarantee policy	833	—	—	—	—	11	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.52	10.06	—	—	—	2.46	0.06
75/100 guarantee policy	12.48	10.06	—	—	—	2.42	0.06
PS1 75/75 guarantee policy	12.58	—	—	—	—	2.51	—
PS1 75/100 guarantee policy	12.54	—	—	—	—	2.48	—
PS2 75/100 guarantee policy	12.98	—	—	—	—	2.86	—

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Sustainable Global Equity Fund 2.35JPM (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Sustainable Global Equity Fund 2.35JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

Sustainable Global Equity Fund 2.35JPM

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.05	2.99	—	—	—
75/100 guarantee policy	3.33	3.28	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	27.06	2.49	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SUSTAINABLE EMERGING MARKETS EQUITY FUND
2.36JPM

December 31, 2024

Independent Auditor's Report

To the Contractholders of Sustainable Emerging Markets Equity Fund 2.36JPM (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year ended December 31, 2024 and the period ended December 31, 2023, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and the period ended December 31, 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Sustainable Emerging Markets Equity Fund 2.36JPM

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	253	7
Total investments	253	7
Total assets	\$ 253	\$ 7
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 253	\$ 7

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 22	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	22	—
Expenses		
Management fees (note 8)	4	—
Other	—	—
Total expenses	4	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 18	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ 7	\$ —
Contractholder deposits	233	7
Contractholder withdrawals	(5)	—
Increase (decrease) in net assets from operations attributable to contractholders	18	—
Change in net assets attributable to contractholders	246	7
Net assets attributable to contractholders - end of year	\$ 253	\$ 7

Sustainable Emerging Markets Equity Fund 2.36JPM

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 18	\$ —
Adjustments		
Realized (gains) losses	(7)	—
Unrealized (gains) losses	(8)	—
Gross proceeds of disposition of investments	190	1
Gross payments for the purchase of investments	(414)	(8)
Distribution income of underlying mutual fund	(7)	—
Change in due from/to The Canada Life Assurance Company	—	—
Change in due from/to brokers	—	—
	(228)	(7)
Financing Activities		
Contractholder deposits	233	7
Contractholder withdrawals	(5)	—
	228	7
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Sustainable Emerging Markets Equity Fund 2.36JPM

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Sustainable Emerging Markets Equity Fund Series S *	21,503	245	253
Total Investments		245	253

Top 25 Holdings

Security Description	% of Total
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	9.43%
Tencent Holdings Ltd.	7.62%
Delta Electronics Inc.	2.63%
Accton Technology Corp.	2.47%
Banco Bilbao Vizcaya Argentaria SA	2.40%
PT Bank Central Asia TBK	2.39%
Mahindra & Mahindra Ltd.	2.28%
HDFC Bank Ltd. ADR	2.20%
Walmart de Mexico SAB de CV	2.03%
Jeronimo Martins SGPS SA	2.00%
NetEase Inc.	1.94%
Midea Group Co. Ltd. Class A	1.93%
Haier Smart Home Co. Ltd.	1.91%
Globant SA	1.87%
Kotak Mahindra Bank Ltd.	1.87%
FirstRand Ltd.	1.81%
Quanta Computer Inc.	1.79%
Wiwynn Corp.	1.78%
ICICI Bank Ltd.	1.76%
Chongqing Brewery Co. Ltd. Class A	1.73%
NIIT Technologies Ltd.	1.70%
SK Hynix Inc.	1.70%
Shenzhou International Group Holdings Ltd.	1.68%
Yum China Holdings Inc.	1.65%
Exlservice Holdings Inc.	1.64%

*The issuer of this security is a related company to the issuer of the Fund.

Sustainable Emerging Markets Equity Fund 2.36JPM

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	3,708	657	—	—	—	42	7	—	—	—
75/100 guarantee policy	9,658	—	—	—	—	110	—	—	—	—
PS1 75/75 guarantee policy	6,660	—	—	—	—	76	—	—	—	—
PS1 75/100 guarantee policy	103	—	—	—	—	1	—	—	—	—
PS 75/75 guarantee policy	72	—	—	—	—	1	—	—	—	—
PS 75/100 guarantee policy	311	—	—	—	—	4	—	—	—	—
75/75 Constellation	581	—	—	—	—	7	—	—	—	—
75/100 Constellation	1,067	—	—	—	—	12	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.42	9.94	—	—	—	1.48	(0.06)
75/100 guarantee policy	11.35	—	—	—	—	1.42	—
PS1 75/75 guarantee policy	11.46	—	—	—	—	1.52	—
PS1 75/100 guarantee policy	11.44	—	—	—	—	1.51	—
PS 75/75 guarantee policy	11.58	—	—	—	—	1.63	—
PS 75/100 guarantee policy	11.51	—	—	—	—	1.56	—
75/75 Constellation	11.53	—	—	—	—	1.58	—
75/100 Constellation	11.48	—	—	—	—	1.54	—

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Sustainable Emerging Markets Equity Fund 2.36JPM (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Sustainable Emerging Markets Equity Fund 2.36JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

Sustainable Emerging Markets Equity Fund 2.36JPM

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.39	3.33	—	—	—
75/100 guarantee policy	3.78	—	—	—	—
PS1 75/75 guarantee policy	3.06	—	—	—	—
PS 75/100 guarantee policy	2.67	—	—	—	—
75/75 Constellation	2.58	—	—	—	—
75/100 Constellation	2.92	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	142.74	13.82	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CONSERVATIVE ALLOCATION FUND S-626

December 31, 2024

Independent Auditor's Report

To the Contractholders of Conservative Allocation Fund S-626 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Conservative Allocation Fund S-626

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	671,148	623,659
Total investments	671,148	623,659
Total assets	\$ 671,148	\$ 623,659
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 671,148	\$ 623,659

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 60,703	\$ 50,253
Miscellaneous income (loss)	—	—
Total income (loss)	60,703	50,253
Expenses		
Management fees (note 8)	14,002	13,756
Other	1,480	1,476
Total expenses	15,482	15,232
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 45,221	\$ 35,021

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 623,659	\$ 632,658
Contractholder deposits	125,217	82,616
Contractholder withdrawals	(122,949)	(126,636)
Increase (decrease) in net assets from operations attributable to contractholders	45,221	35,021
Change in net assets attributable to contractholders	47,489	(8,999)
Net assets attributable to contractholders - end of year	\$ 671,148	\$ 623,659

Conservative Allocation Fund S-626

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 45,221	\$ 35,021
Adjustments		
Realized (gains) losses	(41,127)	(5,394)
Unrealized (gains) losses	(19,576)	(44,859)
Gross proceeds of disposition of investments	289,194	88,631
Gross payments for the purchase of investments	(275,980)	(29,379)
	(2,268)	44,020
Financing Activities		
Contractholder deposits	125,217	82,616
Contractholder withdrawals	(122,949)	(126,636)
	2,268	(44,020)
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Conservative Allocation Fund S-626

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
American Growth Fund (AGF) SF247	7,471	13,269
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	8.79%	
Amazon.com Inc.	7.32%	
Cash and short-term deposits	6.11%	
Eli Lilly and Co.	4.42%	
Boston Scientific Corp.	4.40%	
Canadian Equity Fund S-285LL	12,568	20,128
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	170,941	171,795
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Emerging Markets Fund (P) SF537	14,099	15,031
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	11.44%	
iShares MSCI India ETF	9.35%	
Tencent Holdings Ltd.	9.14%	
iShares MSCI India Small-Cap ETF	8.13%	
iShares Core MSCI Emerging Markets ETF	6.48%	
Enhanced Dividend Fund (Laketon) SF039	15,445	20,138
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	

*The issuer of this security is a related company to the issuer of the Fund.

Conservative Allocation Fund S-626

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	10,162	13,352
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Future Fund S-183MF	14,127	18,289
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Inflation-Linked Fixed Income Fund 2.84WAM	5,411	5,378
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United States Treasury Inflation Index 2.13% 04-15-2029 Real Return	6.32%	
United States Treasury Inflation Index 0.13% 04-15-2027 Real Return	5.16%	
United States Treasury Inflation Index 1.25% 04-15-2028 Real Return	5.11%	
United States Treasury Inflation Index 1.63% 10-15-2027 Real Return	5.10%	
United States Treasury Inflation Index 0.64% 07-15-2032 Real Return	5.04%	
Global Unconstrained Fund (Mackenzie) SF530	24,424	29,182
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	20,764	21,744
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	

*The issuer of this security is a related company to the issuer of the Fund.

Conservative Allocation Fund S-626

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Opportunity Fund (JPM) SF556	11,627	12,635
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
ASML Holding NV	4.41%	
Sony Group Corp.	3.81%	
Novo Nordisk AS	3.70%	
Safran SA	3.44%	
Recruit Holdings Co. Ltd.	3.25%	
Long Term Bond Fund (PIM) SF818	10,164	10,092
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	3.95%	
Province of Quebec 4.40% 12-01-2055	2.89%	
Government of Canada 2.00% 12-01-2051	2.84%	
Province of Ontario 2.90% 12-02-2046	2.10%	
Province of Ontario 3.45% 06-02-2045	2.06%	
Pathways Canadian Equity Fund (GWLIM) SF543	13,542	20,078
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	20,873	21,470
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways International Equity Fund (Setanta) SF547	10,178	12,722
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%	
DCC PLC	4.34%	
Thai Beverage PCL	4.29%	
CRH PLC	4.24%	
Tencent Holdings Ltd.	4.20%	

Conservative Allocation Fund S-626

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Private Credit Fund 1.76NL	4,137	5,270
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Estate Fund (GWLRA) SF353	37,045	44,502
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	15,214	15,835
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
Tactical Bond Fund (PIM) SF558	142,080	143,490
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.25% 12-01-2034	4.97%	
Province of Ontario 4.60% 12-02-2055	3.86%	
Government of Canada 2.75% 12-01-2055	3.82%	
Province of Quebec 4.40% 12-01-2055	3.16%	
Province of Ontario 3.80% 12-02-2034	2.70%	
U.S. Dividend Fund (GWLIM) SF522	19,963	20,024
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	

Conservative Allocation Fund S-626

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Growth Leaders Fund S-286MF	10,165	14,637
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	
U.S. Property Fund 1.80EW	2,300	2,121
<u>Top Holdings:</u>	<u>% of Total</u>	
Canada Life US Property Feeder III LP *	99.48%	
Cash and short-term deposits	0.52%	
U.S. Value Fund S-178LL	11,808	19,966
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	604,508	671,148

*The issuer of this security is a related company to the issuer of the Fund.

Conservative Allocation Fund S-626

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	995,109	1,175,473	1,472,879	1,696,650	2,024,494	17,230	19,006	22,578	28,978	34,020
Generations I	1,332,240	1,711,594	2,121,191	2,505,822	3,105,409	20,617	24,707	28,997	38,124	46,434
Generations II	82,134	93,460	101,335	131,670	177,613	1,164	1,238	1,274	1,846	2,453
Generations Core	307,360	369,102	448,163	583,064	687,032	4,573	5,109	5,858	8,459	9,769
75/75 guarantee policy	6,652,309	6,791,252	6,927,998	7,415,507	6,462,480	95,858	91,031	87,700	104,185	88,988
75/100 guarantee policy	22,349,798	22,848,905	23,574,060	22,919,004	18,189,419	314,844	300,247	293,359	317,419	247,584
100/100 guarantee policy	579,301	634,725	699,329	772,245	747,337	7,961	8,154	8,527	10,503	10,011
PS1 75/75 guarantee policy	3,409,729	2,835,027	2,766,581	2,814,260	2,449,075	48,191	37,183	34,186	38,504	32,763
PS1 75/100 guarantee policy	8,669,673	8,009,007	9,122,463	8,291,523	6,229,744	120,862	103,726	111,435	112,269	82,567
PS1 100/100 guarantee policy	454,342	455,438	521,212	527,570	547,229	6,233	5,811	6,279	7,053	7,169
PS2 75/75 guarantee policy	215,679	163,158	464,930	102,036	110,953	4,002	2,749	7,221	1,717	1,786
PS2 75/100 guarantee policy	346,156	283,671	453,175	634,069	300,121	6,423	4,779	7,038	10,668	4,831
PS2 100/100 guarantee policy	107,588	111,772	117,926	124,005	176,117	1,995	1,882	1,830	2,085	2,833
PS 75/75 guarantee policy	242,893	254,707	302,215	389,123	399,501	2,965	2,860	3,170	4,480	4,458
PS 75/100 guarantee policy	1,032,189	913,770	884,069	560,614	492,327	12,376	10,107	9,159	6,393	5,457
PS 100/100 guarantee policy	2,179	4,256	7,462	10,361	12,829	26	47	77	117	141
PPS 75/75 guarantee policy	175,098	165,384	83,277	36,401	56,289	2,171	1,882	883	423	632
PPS 75/100 guarantee policy	297,068	277,726	292,617	336,798	594,284	3,657	3,141	3,087	3,895	6,654

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	17.31	16.17	15.33	17.08	16.80	1.14	0.84
Generations I	15.48	14.44	13.67	15.21	14.95	1.04	0.77
Generations II	14.17	13.25	12.57	14.02	13.81	0.92	0.68
Generations Core	14.88	13.84	13.07	14.51	14.22	1.04	0.77
75/75 guarantee policy	14.41	13.40	12.66	14.05	13.77	1.01	0.74
75/100 guarantee policy	14.09	13.14	12.44	13.85	13.61	0.95	0.70
100/100 guarantee policy	13.74	12.85	12.19	13.60	13.40	0.89	0.66
PS1 75/75 guarantee policy	14.13	13.12	12.36	13.68	13.38	1.01	0.76
PS1 75/100 guarantee policy	13.94	12.95	12.22	13.54	13.25	0.99	0.73
PS1 100/100 guarantee policy	13.72	12.76	12.05	13.37	13.10	0.96	0.71
PS2 75/75 guarantee policy	18.56	16.85	15.53	16.83	16.10	1.71	1.32
PS2 75/100 guarantee policy	18.55	16.85	15.53	16.83	16.10	1.70	1.32
PS2 100/100 guarantee policy	18.54	16.83	15.52	16.81	16.09	1.71	1.31
PS 75/75 guarantee policy	12.21	11.23	10.49	11.51	11.16	0.98	0.74
PS 75/100 guarantee policy	11.99	11.06	10.36	11.40	11.08	0.93	0.70
PS 100/100 guarantee policy	11.82	10.93	10.26	11.32	11.02	0.89	0.67
PPS 75/75 guarantee policy	12.40	11.38	10.60	11.61	11.23	1.02	0.78
PPS 75/100 guarantee policy	12.31	11.31	10.55	11.57	11.20	1.00	0.76

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Conservative Allocation Fund S-626 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Conservative Allocation Fund S-626

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Conservative Allocation Fund S-626

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.82	2.80	2.80	2.80	2.78
Generations I	2.71	2.69	2.69	2.69	2.67
Generations II	2.93	2.91	2.92	2.91	2.89
Generations Core	2.43	2.41	2.42	2.41	2.39
75/75 guarantee policy	2.43	2.41	2.41	2.41	2.39
75/100 guarantee policy	2.71	2.69	2.69	2.68	2.66
100/100 guarantee policy	2.93	2.91	2.91	2.91	2.88
PS1 75/75 guarantee policy	2.19	2.17	2.17	2.17	2.15
PS1 75/100 guarantee policy	2.30	2.28	2.28	2.28	2.26
PS1 100/100 guarantee policy	2.41	2.39	2.39	2.39	2.37
PS 75/75 guarantee policy	1.32	1.31	1.31	1.31	1.29
PS 75/100 guarantee policy	1.60	1.58	1.58	1.58	1.56
PS 100/100 guarantee policy	1.82	1.80	1.81	1.81	1.79
PPS 75/75 guarantee policy	1.08	1.07	1.06	1.07	1.05
PPS 75/100 guarantee policy	1.19	1.18	1.18	1.18	1.16

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	43.65	4.71	9.99	30.11	47.50

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE ALLOCATION FUND S-627

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Allocation Fund S-627 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Allocation Fund S-627

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	732,699	646,241
Total investments	732,699	646,241
Total assets	\$ 732,699	\$ 646,241
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 732,699	\$ 646,241

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 75,678	\$ 54,340
Miscellaneous income (loss)	—	—
Total income (loss)	75,678	54,340
Expenses		
Management fees (note 8)	14,907	13,548
Other	1,569	1,419
Total expenses	16,476	14,967
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 59,202	\$ 39,373

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 646,241	\$ 589,390
Contractholder deposits	122,410	106,769
Contractholder withdrawals	(95,154)	(89,291)
Increase (decrease) in net assets from operations attributable to contractholders	59,202	39,373
Change in net assets attributable to contractholders	86,458	56,851
Net assets attributable to contractholders - end of year	\$ 732,699	\$ 646,241

Moderate Allocation Fund S-627

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 59,202	\$ 39,373
Adjustments		
Realized (gains) losses	(45,505)	(4,070)
Unrealized (gains) losses	(30,173)	(50,270)
Gross proceeds of disposition of investments	259,500	45,695
Gross payments for the purchase of investments	(270,280)	(48,206)
	(27,256)	(17,478)
Financing Activities		
Contractholder deposits	122,410	106,769
Contractholder withdrawals	(95,154)	(89,291)
	27,256	17,478
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Moderate Allocation Fund S-627

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
American Growth Fund (AGF) SF247	9,098	16,630
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	8.79%	
Amazon.com Inc.	7.32%	
Cash and short-term deposits	6.11%	
Eli Lilly and Co.	4.42%	
Boston Scientific Corp.	4.40%	
Canadian Equity Fund S-285LL	21,277	30,024
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	136,048	136,987
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Emerging Markets Fund (P) SF537	21,404	22,821
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	11.44%	
iShares MSCI India ETF	9.35%	
Tencent Holdings Ltd.	9.14%	
iShares MSCI India Small-Cap ETF	8.13%	
iShares Core MSCI Emerging Markets ETF	6.48%	
Enhanced Dividend Fund (Laketon) SF039	21,803	30,033
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	

*The issuer of this security is a related company to the issuer of the Fund.

Moderate Allocation Fund S-627

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	16,695	21,843
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Future Fund S-183MF	22,162	29,696
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Inflation-Linked Fixed Income Fund 2.84WAM	738	734
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United States Treasury Inflation Index 2.13% 04-15-2029 Real Return	6.32%	
United States Treasury Inflation Index 0.13% 04-15-2027 Real Return	5.16%	
United States Treasury Inflation Index 1.25% 04-15-2028 Real Return	5.11%	
United States Treasury Inflation Index 1.63% 10-15-2027 Real Return	5.10%	
United States Treasury Inflation Index 0.64% 07-15-2032 Real Return	5.04%	
Global Unconstrained Fund (Mackenzie) SF530	18,681	22,004
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	19,571	20,564
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	

*The issuer of this security is a related company to the issuer of the Fund.

Moderate Allocation Fund S-627

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Opportunity Fund (JPM) SF556	16,706	18,486
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
ASML Holding NV	4.41%	
Sony Group Corp.	3.81%	
Novo Nordisk AS	3.70%	
Safran SA	3.44%	
Recruit Holdings Co. Ltd.	3.25%	
Long Term Bond Fund (PIM) SF818	7,267	7,314
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	3.95%	
Province of Quebec 4.40% 12-01-2055	2.89%	
Government of Canada 2.00% 12-01-2051	2.84%	
Province of Ontario 2.90% 12-02-2046	2.10%	
Province of Ontario 3.45% 06-02-2045	2.06%	
Pathways Canadian Equity Fund (GWLIM) SF543	21,972	29,878
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	19,576	20,201
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways International Equity Fund (Setanta) SF547	15,491	18,764
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%	
DCC PLC	4.34%	
Thai Beverage PCL	4.29%	
CRH PLC	4.24%	
Tencent Holdings Ltd.	4.20%	

Moderate Allocation Fund S-627

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Private Credit Fund 1.76NL	3,345	4,126
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Estate Fund (GWLRA) SF353	46,159	55,717
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	14,231	13,981
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
Tactical Bond Fund (PIM) SF558	146,473	149,592
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.25% 12-01-2034	4.97%	
Province of Ontario 4.60% 12-02-2055	3.86%	
Government of Canada 2.75% 12-01-2055	3.82%	
Province of Quebec 4.40% 12-01-2055	3.16%	
Province of Ontario 3.80% 12-02-2034	2.70%	
U.S. Dividend Fund (GWLIM) SF522	30,072	30,105
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	

Moderate Allocation Fund S-627

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Growth Leaders Fund S-286MF	14,666	21,357
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	
U.S. Property Fund 1.80EW	2,318	2,138
<u>Top Holdings:</u>	<u>% of Total</u>	
Canada Life US Property Feeder III LP *	99.48%	
Cash and short-term deposits	0.52%	
U.S. Value Fund S-178LL	15,732	29,704
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	641,485	732,699

*The issuer of this security is a related company to the issuer of the Fund.

Moderate Allocation Fund S-627

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	1,032,547	1,249,642	1,455,720	1,726,522	2,076,042	20,260	22,585	24,797	32,764	37,943
Generations I	778,967	911,178	1,229,770	1,498,398	1,849,132	13,329	14,338	18,209	24,676	29,279
Generations II	88,161	86,564	98,701	108,789	116,780	1,366	1,236	1,329	1,633	1,689
Generations Core	228,521	256,342	299,892	335,481	356,510	3,711	3,818	4,191	5,200	5,299
75/75 guarantee policy	5,276,229	5,166,443	4,961,797	4,722,513	3,267,978	86,149	77,356	69,715	73,596	48,832
75/100 guarantee policy	20,268,217	19,824,579	19,317,621	17,467,658	13,206,776	323,237	290,732	266,578	268,097	194,893
100/100 guarantee policy	525,732	557,287	584,811	556,502	484,987	8,187	7,998	7,915	8,395	7,050
PS1 75/75 guarantee policy	4,063,054	3,153,945	2,606,841	2,179,091	1,311,038	64,465	45,804	35,462	32,818	18,898
PS1 75/100 guarantee policy	8,888,235	8,298,273	8,203,395	7,483,539	4,512,698	139,173	119,065	110,373	111,596	64,478
PS1 100/100 guarantee policy	392,610	423,892	388,288	355,754	198,102	6,005	5,951	5,120	5,208	2,783
PS2 75/75 guarantee policy	721,678	777,818	377,463	298,391	264,279	15,209	14,664	6,515	5,574	4,618
PS2 75/100 guarantee policy	830,283	863,228	880,022	975,084	952,013	17,526	16,299	15,214	18,242	16,663
PS 75/75 guarantee policy	249,249	256,797	332,517	610,943	519,459	3,172	2,964	3,562	7,179	5,789
PS 75/100 guarantee policy	1,297,893	1,054,627	978,982	812,252	303,530	16,226	11,991	10,359	9,454	3,360
PPS 75/75 guarantee policy	583,893	489,138	366,385	133,425	118,778	7,520	5,702	3,957	1,578	1,330
PPS 75/100 guarantee policy	560,065	495,055	566,861	425,607	42,229	7,164	5,738	6,094	5,016	472

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	19.62	18.07	17.03	18.98	18.28	1.55	1.04
Generations I	17.11	15.74	14.81	16.47	15.83	1.37	0.93
Generations II	15.49	14.28	13.46	15.01	14.46	1.21	0.82
Generations Core	16.24	14.89	13.98	15.50	14.86	1.35	0.91
75/75 guarantee policy	16.33	14.97	14.05	15.58	14.94	1.36	0.92
75/100 guarantee policy	15.95	14.67	13.80	15.35	14.76	1.28	0.87
100/100 guarantee policy	15.57	14.35	13.53	15.09	14.54	1.22	0.82
PS1 75/75 guarantee policy	15.87	14.52	13.60	15.06	14.41	1.35	0.92
PS1 75/100 guarantee policy	15.66	14.35	13.45	14.91	14.29	1.31	0.90
PS1 100/100 guarantee policy	15.30	14.04	13.19	14.64	14.05	1.26	0.85
PS2 75/75 guarantee policy	21.08	18.85	17.26	18.68	17.48	2.23	1.59
PS2 75/100 guarantee policy	21.11	18.88	17.29	18.71	17.50	2.23	1.59
PS 75/75 guarantee policy	12.73	11.54	10.71	11.75	11.14	1.19	0.83
PS 75/100 guarantee policy	12.50	11.37	10.58	11.64	11.07	1.13	0.79
PPS 75/75 guarantee policy	12.88	11.66	10.80	11.83	11.19	1.22	0.86
PPS 75/100 guarantee policy	12.79	11.59	10.75	11.78	11.17	1.20	0.84

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Allocation Fund S-627 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Allocation Fund S-627

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Allocation Fund S-627

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.93	2.90	2.91	2.90	2.87
Generations I	2.76	2.74	2.74	2.74	2.70
Generations II	2.98	2.96	2.96	2.95	2.92
Generations Core	2.48	2.46	2.46	2.46	2.43
75/75 guarantee policy	2.48	2.46	2.46	2.45	2.42
75/100 guarantee policy	2.76	2.74	2.74	2.73	2.70
100/100 guarantee policy	2.98	2.96	2.96	2.95	2.92
PS1 75/75 guarantee policy	2.30	2.28	2.28	2.27	2.24
PS1 75/100 guarantee policy	2.41	2.39	2.39	2.38	2.35
PS1 100/100 guarantee policy	2.58	2.55	2.55	2.54	2.52
PS 75/75 guarantee policy	1.37	1.36	1.37	1.35	1.33
PS 75/100 guarantee policy	1.65	1.63	1.63	1.62	1.60
PPS 75/75 guarantee policy	1.19	1.18	1.17	1.17	1.15
PPS 75/100 guarantee policy	1.30	1.29	1.28	1.27	1.25

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	38.10	7.41	7.59	32.14	50.98

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED ALLOCATION FUND S-628

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Allocation Fund S-628 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Allocation Fund S-628

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	1,299,102	1,143,409
Total investments	1,299,102	1,143,409
Total assets	\$ 1,299,102	\$ 1,143,409
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 1,299,102	\$ 1,143,409

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 155,820	\$ 106,659
Miscellaneous income (loss)	—	—
Total income (loss)	155,820	106,659
Expenses		
Management fees (note 8)	27,896	24,818
Other	2,780	2,480
Total expenses	30,676	27,298
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 125,144	\$ 79,361

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 1,143,409	\$ 1,016,620
Contractholder deposits	201,343	193,271
Contractholder withdrawals	(170,794)	(145,843)
Increase (decrease) in net assets from operations attributable to contractholders	125,144	79,361
Change in net assets attributable to contractholders	155,693	126,789
Net assets attributable to contractholders - end of year	\$ 1,299,102	\$ 1,143,409

Balanced Allocation Fund S-628

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 125,144	\$ 79,361
Adjustments		
Realized (gains) losses	(93,108)	(9,346)
Unrealized (gains) losses	(62,712)	(97,313)
Gross proceeds of disposition of investments	368,601	53,050
Gross payments for the purchase of investments	(368,474)	(73,180)
	(30,549)	(47,428)
Financing Activities		
Contractholder deposits	201,343	193,271
Contractholder withdrawals	(170,794)	(145,843)
	30,549	47,428
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Balanced Allocation Fund S-628

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
American Growth Fund (AGF) SF247	13,336	45,035
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	8.79%	
Amazon.com Inc.	7.32%	
Cash and short-term deposits	6.11%	
Eli Lilly and Co.	4.42%	
Boston Scientific Corp.	4.40%	
Canadian Equity Fund S-285LL	43,511	64,168
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	149,695	150,781
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Emerging Markets Fund (P) SF537	50,822	54,155
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	11.44%	
iShares MSCI India ETF	9.35%	
Tencent Holdings Ltd.	9.14%	
iShares MSCI India Small-Cap ETF	8.13%	
iShares Core MSCI Emerging Markets ETF	6.48%	
Enhanced Dividend Fund (Laketon) SF039	43,580	64,082
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Allocation Fund S-628

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	29,094	38,779
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Future Fund S-183MF	26,323	54,928
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Small Cap Growth Fund (Mackenzie) SF533	29,078	38,798
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
DexCom Inc.	3.27%	
Akamai Technologies Inc.	2.96%	
SS&C Technologies Holdings Inc.	2.91%	
Vontier Corp.	2.85%	
Bio-Techne Corp.	2.83%	
International Bond Fund (Laketon) SF036	31,328	33,607
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	
International Opportunity Fund (JPM) SF556	37,752	42,584
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
ASML Holding NV	4.41%	
Sony Group Corp.	3.81%	
Novo Nordisk AS	3.70%	
Safran SA	3.44%	
Recruit Holdings Co. Ltd.	3.25%	

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Allocation Fund S-628

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Mid Cap Canada Fund S-346G	14,487	24,033
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Definity Financial Corp.	4.62%	
Element Fleet Management Corp.	4.49%	
The Descartes Systems Group Inc.	4.05%	
Savaria Corp.	3.86%	
Aritzia Inc.	3.53%	
Pathways Canadian Equity Fund (GWLIM) SF543	45,246	61,335
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	32,555	33,600
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways International Equity Fund (Setanta) SF547	33,394	43,526
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%	
DCC PLC	4.34%	
Thai Beverage PCL	4.29%	
CRH PLC	4.24%	
Tencent Holdings Ltd.	4.20%	
Private Credit Fund 1.76NL	4,230	5,066
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	

Balanced Allocation Fund S-628

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Real Estate Fund (GWLRA) SF353	69,585	97,730
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	18,879	18,432
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
Tactical Bond Fund (PIM) SF558	236,206	240,950
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.25% 12-01-2034	4.97%	
Province of Ontario 4.60% 12-02-2055	3.86%	
Government of Canada 2.75% 12-01-2055	3.82%	
Province of Quebec 4.40% 12-01-2055	3.16%	
Province of Ontario 3.80% 12-02-2034	2.70%	
U.S. Dividend Fund (GWLIM) SF522	55,323	55,385
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
U.S. Growth Leaders Fund S-286MF	43,309	62,228
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	

Balanced Allocation Fund S-628

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Property Fund 1.80EW	3,975	3,667
<u>Top Holdings:</u>	<u>% of Total</u>	
Canada Life US Property Feeder III LP *	99.48%	
Cash and short-term deposits	0.52%	
U.S. Value Fund S-178LL	26,727	66,233
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	1,038,435	1,299,102

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Allocation Fund S-628

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	2,424,637	2,870,072	3,260,448	3,625,544	3,920,728	60,086	64,413	68,298	85,050	86,178
Generations I	1,754,094	2,379,078	2,718,818	3,156,794	3,472,084	34,624	42,459	45,214	58,694	60,389
Generations II	124,199	144,000	181,428	209,950	249,212	2,186	2,298	2,705	3,509	3,907
Generations Core	344,370	432,469	541,268	574,296	654,402	6,426	7,276	8,463	10,011	10,642
75/75 guarantee policy	8,900,495	8,777,175	8,065,813	6,746,129	4,796,078	178,645	158,841	135,644	126,495	83,894
75/100 guarantee policy	27,275,005	26,888,056	26,885,474	24,956,642	20,417,541	534,737	476,610	444,077	460,876	352,710
100/100 guarantee policy	856,037	902,952	995,233	1,048,375	1,026,757	16,273	15,562	16,027	18,927	17,388
PS1 75/75 guarantee policy	5,853,514	4,760,520	3,461,353	2,871,220	1,685,479	110,955	81,211	54,772	50,566	27,641
PS1 75/100 guarantee policy	12,902,313	11,588,286	10,435,171	8,895,163	5,415,507	241,358	195,311	163,319	155,112	88,032
PS1 100/100 guarantee policy	579,630	619,005	526,445	581,796	415,878	10,618	10,233	8,095	9,984	6,664
PS2 75/75 guarantee policy	923,125	894,438	716,056	538,512	354,100	23,612	20,102	14,577	11,914	7,124
PS2 75/100 guarantee policy	1,318,096	1,523,455	1,404,704	1,066,179	952,726	33,704	34,228	28,586	23,580	19,160
PS2 100/100 guarantee policy	36,560	38,357	14,745	16,898	15,683	934	861	300	374	315
PS 75/75 guarantee policy	687,003	691,207	530,536	428,329	346,047	9,219	8,271	5,835	5,195	3,873
PS 75/100 guarantee policy	1,723,069	1,512,740	1,358,056	807,591	473,349	22,714	17,831	14,754	9,702	5,262
PPS 75/75 guarantee policy	214,010	164,467	123,936	82,026	60,010	2,906	1,988	1,374	1,001	675
PPS 75/100 guarantee policy	749,468	492,278	415,094	200,582	119,414	10,105	5,914	4,580	2,439	1,339

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	24.78	22.44	20.95	23.46	21.98	2.34	1.49
Generations I	19.74	17.85	16.63	18.59	17.39	1.89	1.22
Generations II	17.60	15.96	14.91	16.71	15.68	1.64	1.05
Generations Core	18.66	16.82	15.63	17.43	16.26	1.84	1.19
75/75 guarantee policy	20.07	18.10	16.82	18.75	17.49	1.97	1.28
75/100 guarantee policy	19.61	17.73	16.52	18.47	17.27	1.88	1.21
100/100 guarantee policy	19.01	17.23	16.10	18.05	16.93	1.78	1.13
PS1 75/75 guarantee policy	18.96	17.06	15.82	17.61	16.40	1.90	1.24
PS1 75/100 guarantee policy	18.71	16.85	15.65	17.44	16.26	1.86	1.20
PS1 100/100 guarantee policy	18.32	16.53	15.38	17.16	16.02	1.79	1.15
PS2 75/75 guarantee policy	25.58	22.47	20.36	22.12	20.12	3.11	2.11
PS2 75/100 guarantee policy	25.57	22.47	20.35	22.12	20.11	3.10	2.12
PS2 100/100 guarantee policy	25.55	22.45	20.33	22.10	20.09	3.10	2.12
PS 75/75 guarantee policy	13.42	11.97	11.00	12.13	11.19	1.45	0.97
PS 75/100 guarantee policy	13.18	11.79	10.86	12.01	11.12	1.39	0.93
PPS 75/75 guarantee policy	13.58	12.09	11.09	12.21	11.24	1.49	1.00
PPS 75/100 guarantee policy	13.48	12.01	11.03	12.16	11.21	1.47	0.98

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Allocation Fund S-628 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Allocation Fund S-628

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Allocation Fund S-628

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.03	3.00	3.01	3.00	2.98
Generations I	2.86	2.83	2.84	2.83	2.82
Generations II	3.14	3.11	3.12	3.11	3.09
Generations Core	2.58	2.56	2.57	2.56	2.54
75/75 guarantee policy	2.58	2.56	2.56	2.55	2.54
75/100 guarantee policy	2.86	2.83	2.84	2.83	2.81
100/100 guarantee policy	3.14	3.11	3.11	3.11	3.09
PS1 75/75 guarantee policy	2.40	2.38	2.38	2.37	2.35
PS1 75/100 guarantee policy	2.51	2.49	2.49	2.48	2.47
PS1 100/100 guarantee policy	2.68	2.65	2.66	2.64	2.63
PS 75/75 guarantee policy	1.48	1.46	1.46	1.46	1.45
PS 75/100 guarantee policy	1.76	1.74	1.73	1.73	1.72
PPS 75/75 guarantee policy	1.30	1.28	1.28	1.28	1.27
PPS 75/100 guarantee policy	1.41	1.39	1.39	1.39	1.37

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	30.41	4.93	3.67	24.19	45.14

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
ADVANCED ALLOCATION FUND S-629

December 31, 2024

Independent Auditor's Report

To the Contractholders of Advanced Allocation Fund S-629 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Advanced Allocation Fund S-629

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	376,592	310,306
Total investments	376,592	310,306
Total assets	\$ 376,592	\$ 310,306
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 376,592	\$ 310,306

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 54,336	\$ 32,157
Miscellaneous income (loss)	—	—
Total income (loss)	54,336	32,157
Expenses		
Management fees (note 8)	7,835	6,478
Other	810	668
Total expenses	8,645	7,146
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 45,691	\$ 25,011

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 310,306	\$ 260,417
Contractholder deposits	62,967	54,498
Contractholder withdrawals	(42,372)	(29,620)
Increase (decrease) in net assets from operations attributable to contractholders	45,691	25,011
Change in net assets attributable to contractholders	66,286	49,889
Net assets attributable to contractholders - end of year	\$ 376,592	\$ 310,306

Advanced Allocation Fund S-629

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 45,691	\$ 25,011
Adjustments		
Realized (gains) losses	(28,380)	(2,011)
Unrealized (gains) losses	(25,956)	(30,146)
Gross proceeds of disposition of investments	85,033	12,880
Gross payments for the purchase of investments	(96,983)	(30,612)
	(20,595)	(24,878)
Financing Activities		
Contractholder deposits	62,967	54,498
Contractholder withdrawals	(42,372)	(29,620)
	20,595	24,878
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Advanced Allocation Fund S-629

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
American Growth Fund (AGF) SF247	7,900	20,038
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	8.79%	
Amazon.com Inc.	7.32%	
Cash and short-term deposits	6.11%	
Eli Lilly and Co.	4.42%	
Boston Scientific Corp.	4.40%	
Canadian Equity Fund S-285LL	20,453	25,476
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Resource Fund S-348MF	2,744	4,766
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Tourmaline Oil Corp.	4.18%	
Cash and short-term deposits	3.97%	
Shell PLC Class A ADR	3.88%	
TotalEnergies SE ADR	3.49%	
Advantage Energy Ltd.	2.95%	
Emerging Markets Fund (P) SF537	18,574	21,338
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	11.44%	
iShares MSCI India ETF	9.35%	
Tencent Holdings Ltd.	9.14%	
iShares MSCI India Small-Cap ETF	8.13%	
iShares Core MSCI Emerging Markets ETF	6.48%	
Enhanced Dividend Fund (Laketon) SF039	20,156	25,490
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	

*The issuer of this security is a related company to the issuer of the Fund.

Advanced Allocation Fund S-629

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	9,904	12,764
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Future Fund S-183MF	11,749	19,280
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Small Cap Growth Fund (Mackenzie) SF533	11,690	15,024
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
DexCom Inc.	3.27%	
Akamai Technologies Inc.	2.96%	
SS&C Technologies Holdings Inc.	2.91%	
Vontier Corp.	2.85%	
Bio-Techne Corp.	2.83%	
International Bond Fund (Laketon) SF036	4,123	4,340
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	
International Opportunity Fund (JPM) SF556	14,447	16,800
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
ASML Holding NV	4.41%	
Sony Group Corp.	3.81%	
Novo Nordisk AS	3.70%	
Safran SA	3.44%	
Recruit Holdings Co. Ltd.	3.25%	

*The issuer of this security is a related company to the issuer of the Fund.

Advanced Allocation Fund S-629

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Mid Cap Canada Fund S-346G	6,527	9,458
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Definity Financial Corp.	4.62%	
Element Fleet Management Corp.	4.49%	
The Descartes Systems Group Inc.	4.05%	
Savaria Corp.	3.86%	
Aritzia Inc.	3.53%	
Pathways Canadian Equity Fund (GWLIM) SF543	17,565	24,441
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	3,999	4,155
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways International Equity Fund (Setanta) SF547	13,295	17,052
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%	
DCC PLC	4.34%	
Thai Beverage PCL	4.29%	
CRH PLC	4.24%	
Tencent Holdings Ltd.	4.20%	
Private Credit Fund 1.76NL	489	577
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	

Advanced Allocation Fund S-629

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
Real Estate Fund (GWLRA) SF353	27,301	32,256
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	2,297	2,276
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
Tactical Bond Fund (PIM) SF558	48,233	49,850
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.25% 12-01-2034	4.97%	
Province of Ontario 4.60% 12-02-2055	3.86%	
Government of Canada 2.75% 12-01-2055	3.82%	
Province of Quebec 4.40% 12-01-2055	3.16%	
Province of Ontario 3.80% 12-02-2034	2.70%	
U.S. Dividend Fund (GWLIM) SF522	18,912	18,933
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
U.S. Growth Leaders Fund S-286MF	17,178	24,450
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	

Advanced Allocation Fund S-629

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Property Fund 1.80EW	1,095	1,010
<u>Top Holdings:</u>	<u>% of Total</u>	
Canada Life US Property Feeder III LP *	99.48%	
Cash and short-term deposits	0.52%	
U.S. Value Fund S-178LL	12,768	26,818
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	291,399	376,592

*The issuer of this security is a related company to the issuer of the Fund.

Advanced Allocation Fund S-629

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	686,006	885,892	972,559	1,036,218	1,112,662	20,688	23,509	23,800	28,140	27,036
Generations I	220,935	248,686	258,449	277,372	325,468	5,056	4,997	4,778	5,678	5,949
Generations II	49,922	62,282	75,654	86,532	88,177	973	1,070	1,200	1,525	1,391
Generations Core	101,528	122,694	153,620	167,787	183,019	2,119	2,242	2,576	3,107	3,018
75/75 guarantee policy	3,093,462	2,814,502	2,500,585	1,973,771	1,194,968	75,131	59,855	48,799	42,532	22,926
75/100 guarantee policy	4,545,287	4,413,460	4,155,403	3,515,066	2,650,003	107,550	91,697	79,442	74,409	50,083
100/100 guarantee policy	352,392	390,252	398,025	394,737	361,862	8,030	7,835	7,377	8,127	6,674
PS1 75/75 guarantee policy	1,850,410	1,465,002	1,156,882	781,478	393,657	43,114	29,834	21,579	16,067	7,193
PS1 75/100 guarantee policy	2,732,274	2,316,298	1,992,433	1,562,243	1,059,396	62,780	46,569	36,732	31,779	19,173
PS1 100/100 guarantee policy	257,540	191,817	168,370	197,083	113,882	5,711	3,732	3,012	3,901	2,011
PS2 75/75 guarantee policy	365,605	364,897	319,547	275,211	220,120	11,656	9,915	7,757	7,181	4,979
PS2 75/100 guarantee policy	594,688	667,111	603,970	384,626	321,423	18,974	18,141	14,672	10,044	7,275
PS 75/75 guarantee policy	253,498	195,629	168,443	202,112	177,387	3,778	2,525	1,973	2,586	1,998
PS 75/100 guarantee policy	169,328	130,820	102,316	83,533	22,961	2,479	1,663	1,184	1,059	258
PPS 75/75 guarantee policy	345,393	378,699	328,147	162,428	91,743	5,210	4,938	3,876	2,092	1,038
PPS 75/100 guarantee policy	217,394	131,861	141,188	79,768	51,238	3,256	1,709	1,660	1,023	578
PPS 100/100 guarantee policy	5,829	5,883	—	—	—	87	75	—	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	30.16	26.54	24.47	27.16	24.30	3.62	2.07
Generations I	22.88	20.09	18.49	20.47	18.28	2.79	1.60
Generations II	19.50	17.18	15.86	17.62	15.78	2.32	1.32
Generations Core	20.87	18.28	16.77	18.52	16.49	2.59	1.51
75/75 guarantee policy	24.29	21.27	19.51	21.55	19.19	3.02	1.76
75/100 guarantee policy	23.66	20.78	19.12	21.17	18.90	2.88	1.66
100/100 guarantee policy	22.79	20.08	18.53	20.59	18.44	2.71	1.55
PS1 75/75 guarantee policy	23.30	20.36	18.65	20.56	18.27	2.94	1.71
PS1 75/100 guarantee policy	22.98	20.11	18.44	20.34	18.10	2.87	1.67
PS1 100/100 guarantee policy	22.17	19.46	17.89	19.79	17.66	2.71	1.57
PS2 75/75 guarantee policy	31.88	27.17	24.27	26.09	22.62	4.71	2.90
PS2 75/100 guarantee policy	31.91	27.19	24.29	26.11	22.63	4.72	2.90
PS 75/75 guarantee policy	14.90	12.91	11.71	12.79	11.27	1.99	1.20
PS 75/100 guarantee policy	14.64	12.71	11.57	12.67	11.19	1.93	1.14
PPS 75/75 guarantee policy	15.09	13.04	11.81	12.88	11.32	2.05	1.23
PPS 75/100 guarantee policy	14.98	12.96	11.75	12.83	11.29	2.02	1.21
PPS 100/100 guarantee policy	14.71	12.77	—	—	—	1.94	1.16

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Advanced Allocation Fund S-629 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Advanced Allocation Fund S-629

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Advanced Allocation Fund S-629

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.21	3.18	3.19	3.18	3.16
Generations I	2.98	2.96	2.97	2.96	2.94
Generations II	3.32	3.29	3.30	3.28	3.28
Generations Core	2.71	2.68	2.69	2.68	2.67
75/75 guarantee policy	2.71	2.68	2.68	2.67	2.66
75/100 guarantee policy	2.98	2.96	2.96	2.95	2.94
100/100 guarantee policy	3.32	3.29	3.30	3.28	3.27
PS1 75/75 guarantee policy	2.52	2.50	2.50	2.49	2.47
PS1 75/100 guarantee policy	2.63	2.61	2.61	2.60	2.58
PS1 100/100 guarantee policy	2.91	2.88	2.90	2.87	2.86
PS 75/75 guarantee policy	1.60	1.58	1.59	1.58	1.57
PS 75/100 guarantee policy	1.87	1.86	1.86	1.84	1.84
PPS 75/75 guarantee policy	1.41	1.40	1.40	1.39	1.38
PPS 75/100 guarantee policy	1.52	1.51	1.51	1.50	1.49
PPS 100/100 guarantee policy	1.80	1.78	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	24.74	4.50	5.32	28.63	48.25

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
AGGRESSIVE ALLOCATION FUND S-630

December 31, 2024

Independent Auditor's Report

To the Contractholders of Aggressive Allocation Fund S-630 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Aggressive Allocation Fund S-630

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	250,161	200,520
Total investments	250,161	200,520
Total assets	\$ 250,161	\$ 200,520
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 250,161	\$ 200,520

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 40,972	\$ 22,552
Miscellaneous income (loss)	—	—
Total income (loss)	40,972	22,552
Expenses		
Management fees (note 8)	5,483	4,395
Other	559	447
Total expenses	6,042	4,842
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 34,930	\$ 17,710

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 200,520	\$ 167,390
Contractholder deposits	40,772	35,287
Contractholder withdrawals	(26,061)	(19,867)
Increase (decrease) in net assets from operations attributable to contractholders	34,930	17,710
Change in net assets attributable to contractholders	49,641	33,130
Net assets attributable to contractholders - end of year	\$ 250,161	\$ 200,520

Aggressive Allocation Fund S-630

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 34,930	\$ 17,710
Adjustments		
Realized (gains) losses	(23,852)	(1,867)
Unrealized (gains) losses	(17,120)	(20,685)
Gross proceeds of disposition of investments	72,204	10,436
Gross payments for the purchase of investments	(80,873)	(21,014)
	(14,711)	(15,420)
Financing Activities		
Contractholder deposits	40,772	35,287
Contractholder withdrawals	(26,061)	(19,867)
	14,711	15,420
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Aggressive Allocation Fund S-630

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
American Growth Fund (AGF) SF247	6,429	15,521
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	8.79%	
Amazon.com Inc.	7.32%	
Cash and short-term deposits	6.11%	
Eli Lilly and Co.	4.42%	
Boston Scientific Corp.	4.40%	
Canadian Equity Fund S-285LL	17,081	20,260
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Resource Fund S-348MF	2,975	4,994
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Tourmaline Oil Corp.	4.18%	
Cash and short-term deposits	3.97%	
Shell PLC Class A ADR	3.88%	
TotalEnergies SE ADR	3.49%	
Advantage Energy Ltd.	2.95%	
Emerging Markets Fund (P) SF537	14,662	17,006
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	11.44%	
iShares MSCI India ETF	9.35%	
Tencent Holdings Ltd.	9.14%	
iShares MSCI India Small-Cap ETF	8.13%	
iShares Core MSCI Emerging Markets ETF	6.48%	
Enhanced Dividend Fund (Laketon) SF039	17,590	20,236
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	

*The issuer of this security is a related company to the issuer of the Fund.

Aggressive Allocation Fund S-630

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	7,479	8,733
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Future Fund S-183MF	9,452	14,947
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Small Cap Growth Fund (Mackenzie) SF533	9,866	12,476
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
DexCom Inc.	3.27%	
Akamai Technologies Inc.	2.96%	
SS&C Technologies Holdings Inc.	2.91%	
Vontier Corp.	2.85%	
Bio-Techne Corp.	2.83%	
International Opportunity Fund (JPM) SF556	11,350	13,414
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
ASML Holding NV	4.41%	
Sony Group Corp.	3.81%	
Novo Nordisk AS	3.70%	
Safran SA	3.44%	
Recruit Holdings Co. Ltd.	3.25%	
Mid Cap Canada Fund S-346G	5,385	7,521
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Definity Financial Corp.	4.62%	
Element Fleet Management Corp.	4.49%	
The Descartes Systems Group Inc.	4.05%	
Savaria Corp.	3.86%	
Aritzia Inc.	3.53%	

*The issuer of this security is a related company to the issuer of the Fund.

Aggressive Allocation Fund S-630

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Pathways Canadian Equity Fund (GWLIM) SF543	13,990	19,438
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways International Equity Fund (Setanta) SF547	10,810	13,708
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.74%	
DCC PLC	4.34%	
Thai Beverage PCL	4.29%	
CRH PLC	4.24%	
Tencent Holdings Ltd.	4.20%	
Real Estate Fund (GWLRA) SF353	21,033	23,867
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
U.S. Dividend Fund (GWLIM) SF522	16,370	16,362
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
U.S. Growth Leaders Fund S-286MF	14,127	19,599
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	

Aggressive Allocation Fund S-630

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Property Fund 1.80EW	791	731
<u>Top Holdings:</u>	<u>% of Total</u>	
Canada Life US Property Feeder III LP *	99.48%	
Cash and short-term deposits	0.52%	
U.S. Value Fund S-178LL	10,722	21,348
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	190,112	250,161

*The issuer of this security is a related company to the issuer of the Fund.

Aggressive Allocation Fund S-630

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	334,033	380,726	429,418	452,503	500,389	10,840	10,648	10,974	12,789	12,236
Generations I	165,635	188,167	207,471	224,887	250,239	4,199	4,106	4,133	4,948	4,759
Generations II	16,617	16,773	23,877	25,575	36,469	349	304	396	470	580
Generations Core	101,616	111,147	110,520	112,478	141,524	2,305	2,162	1,955	2,190	2,372
75/75 guarantee policy	1,968,953	1,829,014	1,652,865	1,314,168	1,015,736	55,773	44,428	36,508	31,942	21,255
75/100 guarantee policy	2,377,616	2,374,750	2,076,798	1,691,135	1,172,460	64,955	55,851	44,584	40,105	24,030
100/100 guarantee policy	126,729	159,152	174,613	188,294	199,905	3,338	3,618	3,634	4,341	3,993
PS1 75/75 guarantee policy	1,443,036	1,266,872	1,082,848	892,685	653,673	39,171	29,420	22,811	20,645	12,984
PS1 75/100 guarantee policy	1,442,566	1,130,302	1,011,585	709,210	387,539	38,621	25,917	21,064	16,230	7,626
PS1 100/100 guarantee policy	50,240	48,972	44,841	39,861	32,219	1,280	1,073	895	878	613
PS2 75/75 guarantee policy	348,907	350,829	343,007	304,753	353,767	13,051	10,941	9,459	8,994	8,741
PS2 75/100 guarantee policy	67,388	81,600	83,381	93,583	50,139	2,520	2,544	2,299	2,761	1,238
PS 75/75 guarantee policy	308,672	334,703	335,294	384,058	403,360	4,858	4,468	4,025	5,019	4,488
PS 75/100 guarantee policy	98,233	83,661	78,514	51,589	13,797	1,508	1,094	926	665	152
PPS 75/75 guarantee policy	409,622	272,183	267,506	184,847	126,862	6,549	3,682	3,247	2,436	1,420
PPS 75/100 guarantee policy	53,194	19,648	39,755	22,593	—	844	264	480	296	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	32.45	27.97	25.56	28.26	24.45	4.48	2.41
Generations I	25.35	21.82	19.92	22.00	19.02	3.53	1.90
Generations II	20.98	18.11	16.58	18.36	15.91	2.87	1.53
Generations Core	22.69	19.45	17.69	19.47	16.76	3.24	1.76
75/75 guarantee policy	28.33	24.29	22.09	24.31	20.93	4.04	2.20
75/100 guarantee policy	27.32	23.52	21.47	23.72	20.50	3.80	2.05
100/100 guarantee policy	26.34	22.74	20.81	23.05	19.98	3.60	1.93
PS1 75/75 guarantee policy	27.15	23.22	21.07	23.13	19.86	3.93	2.15
PS1 75/100 guarantee policy	26.77	22.93	20.82	22.88	19.68	3.84	2.11
PS1 100/100 guarantee policy	25.48	21.90	19.97	22.03	19.01	3.58	1.93
PS2 75/75 guarantee policy	37.41	31.19	27.58	29.51	24.71	6.22	3.61
PS2 75/100 guarantee policy	37.39	31.18	27.57	29.50	24.70	6.21	3.61
PS 75/75 guarantee policy	15.74	13.35	12.01	13.07	11.13	2.39	1.34
PS 75/100 guarantee policy	15.35	13.07	11.80	12.89	11.02	2.28	1.27
PPS 75/75 guarantee policy	15.99	13.53	12.14	13.18	11.19	2.46	1.39
PPS 75/100 guarantee policy	15.87	13.44	12.07	13.12	—	2.43	1.37

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Aggressive Allocation Fund S-630 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Aggressive Allocation Fund S-630

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Aggressive Allocation Fund S-630

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	3.31	3.28	3.29	3.28	3.27
Generations I	3.20	3.17	3.18	3.17	3.16
Generations II	3.48	3.45	3.46	3.46	3.43
Generations Core	2.81	2.79	2.80	2.79	2.77
75/75 guarantee policy	2.81	2.79	2.79	2.78	2.77
75/100 guarantee policy	3.20	3.17	3.17	3.16	3.15
100/100 guarantee policy	3.48	3.45	3.46	3.45	3.43
PS1 75/75 guarantee policy	2.58	2.55	2.55	2.54	2.52
PS1 75/100 guarantee policy	2.69	2.66	2.66	2.65	2.63
PS1 100/100 guarantee policy	3.07	3.05	3.05	3.04	3.00
PS 75/75 guarantee policy	1.71	1.69	1.70	1.69	1.68
PS 75/100 guarantee policy	2.09	2.08	2.07	2.06	2.04
PPS 75/75 guarantee policy	1.47	1.45	1.45	1.45	1.43
PPS 75/100 guarantee policy	1.58	1.56	1.56	1.56	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	31.57	5.66	6.70	32.76	32.07

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INCOME FOCUS FUND SF631

December 31, 2024

Independent Auditor's Report

To the Contractholders of Income Focus Fund SF631 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Income Focus Fund SF631

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	54,562	55,246
Total investments	54,562	55,246
Total assets	\$ 54,562	\$ 55,246
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 54,562	\$ 55,246

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,562	\$ 3,687
Miscellaneous income (loss)	—	—
Total income (loss)	3,562	3,687
Expenses		
Management fees (note 8)	1,193	1,288
Other	116	127
Total expenses	1,309	1,415
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,253	\$ 2,272

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 55,246	\$ 58,703
Contractholder deposits	6,690	5,158
Contractholder withdrawals	(9,627)	(10,887)
Increase (decrease) in net assets from operations attributable to contractholders	2,253	2,272
Change in net assets attributable to contractholders	(684)	(3,457)
Net assets attributable to contractholders - end of year	\$ 54,562	\$ 55,246

Income Focus Fund SF631

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,253	\$ 2,272
Adjustments		
Realized (gains) losses	(3,229)	(1,907)
Unrealized (gains) losses	(333)	(1,780)
Gross proceeds of disposition of investments	29,527	28,987
Gross payments for the purchase of investments	(25,281)	(21,843)
	<u>2,937</u>	<u>5,729</u>
Financing Activities		
Contractholder deposits	6,690	5,158
Contractholder withdrawals	(9,627)	(10,887)
	<u>(2,937)</u>	<u>(5,729)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Income Focus Fund SF631

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund S-285LL	291	381
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	15,759	15,937
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Enhanced Dividend Fund (Laketon) SF039	1,061	1,523
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	
Fixed Income Fund (Laketon) SF019	15,334	17,357
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Dividend Fund (SAM) SF528	1,299	1,518
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Focus Fund SF631

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Future Fund S-183MF	1,361	1,508
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Inflation-Linked Fixed Income Fund 2.84WAM	551	546
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United States Treasury Inflation Index 2.13% 04-15-2029 Real Return	6.32%	
United States Treasury Inflation Index 0.13% 04-15-2027 Real Return	5.16%	
United States Treasury Inflation Index 1.25% 04-15-2028 Real Return	5.11%	
United States Treasury Inflation Index 1.63% 10-15-2027 Real Return	5.10%	
United States Treasury Inflation Index 0.64% 07-15-2032 Real Return	5.04%	
Global Unconstrained Fund (Mackenzie) SF530	3,355	4,067
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	1,825	1,909
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	
Pathways Canadian Equity Fund (GWLIM) SF543	902	1,139
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Focus Fund SF631

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	1,791	1,911
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Private Credit Fund 1.76NL	297	338
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Estate Fund (GWLRA) SF353	2,629	3,272
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	1,523	1,638
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
U.S. Dividend Fund (GWLIM) SF522	1,178	1,518
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
Total Investments	49,156	54,562

Income Focus Fund SF631

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	197,557	252,216	347,445	410,694	442,691	2,906	3,566	4,721	6,219	6,784
Generations I	393,921	449,073	581,885	806,531	906,881	5,893	6,450	8,024	12,380	14,072
Generations II	58,616	71,563	80,072	96,229	110,944	814	955	1,027	1,376	1,605
Generations Core	38,163	43,391	53,183	64,065	73,887	548	597	701	938	1,091
75/75 guarantee policy	387,358	361,763	425,287	752,969	715,770	5,282	4,725	5,322	10,465	10,034
75/100 guarantee policy	1,846,651	1,882,819	1,996,693	2,122,535	2,190,046	24,689	24,166	24,604	29,114	30,367
100/100 guarantee policy	123,625	146,874	164,306	194,488	185,148	1,627	1,858	1,998	2,635	2,540
PS1 75/75 guarantee policy	168,340	136,409	104,017	111,153	111,347	2,190	1,695	1,235	1,461	1,472
PS1 75/100 guarantee policy	540,279	609,551	605,928	615,719	738,996	6,926	7,471	7,102	8,000	9,668
PS1 100/100 guarantee policy	36,455	70,162	69,836	109,930	125,174	460	848	808	1,412	1,620
PS2 75/75 guarantee policy	2,648	2,697	2,667	1,947	67	45	43	39	31	1
PS2 75/100 guarantee policy	64,539	66,161	127,544	86,511	82,162	1,094	1,048	1,891	1,391	1,301
PS2 100/100 guarantee policy	—	—	—	5,938	—	—	—	—	95	—
PS 75/75 guarantee policy	16,684	11,231	12,421	15,610	18,267	190	121	127	175	204
PS 75/100 guarantee policy	143,072	155,419	103,875	101,452	123,636	1,602	1,652	1,049	1,128	1,374
PS 100/100 guarantee policy	49	49	49	—	—	1	1	—	—	—
PPS 75/100 guarantee policy	25,631	4,631	5,341	5,402	3,243	295	50	55	61	36

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	14.71	14.14	13.59	15.14	15.33	0.57	0.55
Generations I	14.96	14.36	13.79	15.35	15.52	0.60	0.57
Generations II	13.89	13.35	12.83	14.29	14.47	0.54	0.52
Generations Core	14.37	13.76	13.18	14.64	14.77	0.61	0.58
75/75 guarantee policy	13.64	13.06	12.51	13.90	14.02	0.58	0.55
75/100 guarantee policy	13.37	12.83	12.32	13.72	13.87	0.54	0.51
100/100 guarantee policy	13.16	12.65	12.16	13.55	13.71	0.51	0.49
PS1 75/75 guarantee policy	13.01	12.43	11.87	13.14	13.22	0.58	0.56
PS1 75/100 guarantee policy	12.82	12.26	11.72	12.99	13.08	0.56	0.54
PS1 100/100 guarantee policy	12.63	12.09	11.57	12.84	12.94	0.54	0.52
PS2 75/75 guarantee policy	16.90	15.81	14.78	16.03	15.79	1.09	1.03
PS2 75/100 guarantee policy	16.95	15.85	14.83	16.08	15.83	1.10	1.02
PS2 100/100 guarantee policy	—	—	—	16.00	—	—	—
PS 75/75 guarantee policy	11.36	10.76	10.20	11.20	11.18	0.60	0.56
PS 75/100 guarantee policy	11.20	10.63	10.10	11.12	11.11	0.57	0.53
PS 100/100 guarantee policy	11.14	10.58	10.05	—	—	0.56	0.53
PPS 75/100 guarantee policy	11.49	10.87	10.28	11.27	11.23	0.62	0.59

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Income Focus Fund SF631 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Income Focus Fund SF631

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Income Focus Fund SF631

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.74	2.71	2.73	2.73	2.71
Generations I	2.63	2.60	2.62	2.62	2.60
Generations II	2.74	2.71	2.73	2.73	2.71
Generations Core	2.41	2.39	2.40	2.40	2.38
75/75 guarantee policy	2.41	2.39	2.41	2.39	2.38
75/100 guarantee policy	2.63	2.60	2.61	2.62	2.60
100/100 guarantee policy	2.74	2.71	2.73	2.73	2.71
PS1 75/75 guarantee policy	2.11	2.09	2.10	2.10	2.09
PS1 75/100 guarantee policy	2.22	2.20	2.21	2.22	2.19
PS1 100/100 guarantee policy	2.34	2.31	2.33	2.33	2.30
PS 75/75 guarantee policy	1.30	1.29	1.30	1.30	1.29
PS 75/100 guarantee policy	1.52	1.51	1.51	1.52	1.50
PS 100/100 guarantee policy	1.63	1.62	1.63	—	—
PPS 75/100 guarantee policy	1.12	1.11	1.11	1.11	1.10

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	46.97	37.66	7.83	10.99	15.15

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INCOME GROWTH FUND SF632

December 31, 2024

Independent Auditor's Report

To the Contractholders of Income Growth Fund SF632 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Income Growth Fund SF632

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	42,960	41,513
Total investments	42,960	41,513
Total assets	\$ 42,960	\$ 41,513
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 42,960	\$ 41,513

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,503	\$ 2,926
Miscellaneous income (loss)	—	—
Total income (loss)	3,503	2,926
Expenses		
Management fees (note 8)	931	949
Other	98	99
Total expenses	1,029	1,048
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,474	\$ 1,878

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 41,513	\$ 43,343
Contractholder deposits	5,910	5,097
Contractholder withdrawals	(6,937)	(8,805)
Increase (decrease) in net assets from operations attributable to contractholders	2,474	1,878
Change in net assets attributable to contractholders	1,447	(1,830)
Net assets attributable to contractholders - end of year	\$ 42,960	\$ 41,513

Income Growth Fund SF632

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,474	\$ 1,878
Adjustments		
Realized (gains) losses	(2,685)	(2,931)
Unrealized (gains) losses	(818)	5
Gross proceeds of disposition of investments	20,607	24,102
Gross payments for the purchase of investments	(18,551)	(19,346)
	<u>1,027</u>	<u>3,708</u>
Financing Activities		
Contractholder deposits	5,910	5,097
Contractholder withdrawals	(6,937)	(8,805)
	<u>(1,027)</u>	<u>(3,708)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Income Growth Fund SF632

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund S-285LL	439	579
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	10,091	10,219
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Enhanced Dividend Fund (Laketon) SF039	1,602	2,320
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	
Fixed Income Fund (Laketon) SF019	9,705	11,143
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Dividend Fund (SAM) SF528	1,939	2,297
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Growth Fund SF632

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Future Fund S-183MF	2,061	2,290
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Inflation-Linked Fixed Income Fund 2.84WAM	347	345
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United States Treasury Inflation Index 2.13% 04-15-2029 Real Return	6.32%	
United States Treasury Inflation Index 0.13% 04-15-2027 Real Return	5.16%	
United States Treasury Inflation Index 1.25% 04-15-2028 Real Return	5.11%	
United States Treasury Inflation Index 1.63% 10-15-2027 Real Return	5.10%	
United States Treasury Inflation Index 0.64% 07-15-2032 Real Return	5.04%	
Global Unconstrained Fund (Mackenzie) SF530	2,126	2,604
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	1,143	1,221
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	
Pathways Canadian Equity Fund (GWLIM) SF543	1,367	1,733
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Growth Fund SF632

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	1,147	1,226
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Private Credit Fund 1.76NL	184	210
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Estate Fund (GWLRA) SF353	2,666	3,429
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	941	1,059
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
U.S. Dividend Fund (GWLIM) SF522	1,765	2,285
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
Total Investments	37,523	42,960

Income Growth Fund SF632

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	47,516	72,713	106,943	110,732	140,904	781	1,132	1,597	1,829	2,296
Generations I	238,115	295,074	442,266	654,480	792,638	3,900	4,573	6,566	10,739	12,816
Generations II	3,765	8,831	10,763	11,078	13,501	56	124	145	166	199
Generations Core	27,327	34,878	39,410	46,091	55,373	427	514	555	715	844
75/75 guarantee policy	328,658	366,878	399,427	416,090	337,962	5,019	5,288	5,499	6,314	5,040
75/100 guarantee policy	1,074,853	1,029,753	1,070,019	1,064,706	1,130,947	16,052	14,553	14,486	15,931	16,674
100/100 guarantee policy	80,708	76,961	92,268	90,709	96,806	1,166	1,055	1,215	1,324	1,396
PS1 75/75 guarantee policy	442,347	470,098	443,315	276,566	201,502	6,425	6,429	5,778	3,963	2,831
PS1 75/100 guarantee policy	295,841	281,594	283,028	277,962	275,091	4,234	3,799	3,642	3,938	3,825
PS1 100/100 guarantee policy	87,255	91,191	94,836	95,706	71,849	1,221	1,205	1,197	1,333	983
PS2 75/75 guarantee policy	68,096	16,491	16,774	13,501	—	1,306	291	276	239	—
PS2 75/100 guarantee policy	47,457	51,812	48,684	52,704	67,684	911	915	802	933	1,149
PS 75/75 guarantee policy	5,987	4,715	5,322	5,949	43,675	71	52	56	68	486
PS 75/100 guarantee policy	71,755	94,853	98,470	63,430	63,976	840	1,039	1,022	720	707
PPS 75/100 guarantee policy	45,885	48,561	47,951	76,566	72,884	551	544	507	881	814

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	16.43	15.57	14.93	16.52	16.29	0.86	0.64
Generations I	16.38	15.50	14.85	16.41	16.17	0.88	0.65
Generations II	14.78	14.03	13.47	14.93	14.75	0.75	0.56
Generations Core	15.61	14.73	14.08	15.51	15.24	0.88	0.65
75/75 guarantee policy	15.27	14.41	13.77	15.18	14.91	0.86	0.64
75/100 guarantee policy	14.93	14.13	13.54	14.96	14.74	0.80	0.59
100/100 guarantee policy	14.45	13.71	13.17	14.60	14.42	0.74	0.54
PS1 75/75 guarantee policy	14.53	13.68	13.03	14.33	14.05	0.85	0.65
PS1 75/100 guarantee policy	14.31	13.49	12.87	14.17	13.90	0.82	0.62
PS1 100/100 guarantee policy	14.00	13.21	12.63	13.92	13.69	0.79	0.58
PS2 75/75 guarantee policy	19.18	17.66	16.46	17.70	—	1.52	1.20
PS2 75/100 guarantee policy	19.19	17.66	16.46	17.71	16.98	1.53	1.20
PS 75/75 guarantee policy	11.91	11.12	10.51	11.45	11.13	0.79	0.61
PS 75/100 guarantee policy	11.70	10.95	10.38	11.34	11.06	0.75	0.57
PPS 75/100 guarantee policy	12.01	11.20	10.57	11.51	11.17	0.81	0.63

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Income Growth Fund SF632 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Income Growth Fund SF632

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Income Growth Fund SF632

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.87	2.84	2.84	2.84	2.84
Generations I	2.76	2.73	2.74	2.73	2.73
Generations II	3.03	3.00	3.00	3.01	3.00
Generations Core	2.48	2.45	2.45	2.46	2.45
75/75 guarantee policy	2.48	2.45	2.45	2.45	2.45
75/100 guarantee policy	2.76	2.73	2.73	2.73	2.73
100/100 guarantee policy	3.03	3.00	3.00	3.00	3.00
PS1 75/75 guarantee policy	2.24	2.21	2.20	2.21	2.21
PS1 75/100 guarantee policy	2.35	2.32	2.32	2.33	2.31
PS1 100/100 guarantee policy	2.52	2.49	2.49	2.49	2.48
PS 75/75 guarantee policy	1.37	1.35	1.35	1.36	1.35
PS 75/100 guarantee policy	1.65	1.63	1.62	1.63	1.62
PPS 75/100 guarantee policy	1.24	1.22	1.23	1.22	1.21

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	43.88	45.25	14.76	15.49	13.82

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INCOME GROWTH PLUS FUND SF633

December 31, 2024

Independent Auditor's Report

To the Contractholders of Income Growth Plus Fund SF633 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Income Growth Plus Fund SF633

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	54,631	52,584
Total investments	54,631	52,584
Total assets	\$ 54,631	\$ 52,584
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 54,631	\$ 52,584

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,342	\$ 3,807
Miscellaneous income (loss)	—	—
Total income (loss)	5,342	3,807
Expenses		
Management fees (note 8)	1,319	1,304
Other	141	137
Total expenses	1,460	1,441
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 3,882	\$ 2,366

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 52,584	\$ 53,795
Contractholder deposits	5,848	5,591
Contractholder withdrawals	(7,683)	(9,168)
Increase (decrease) in net assets from operations attributable to contractholders	3,882	2,366
Change in net assets attributable to contractholders	2,047	(1,211)
Net assets attributable to contractholders - end of year	\$ 54,631	\$ 52,584

Income Growth Plus Fund SF633

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 3,882	\$ 2,366
Adjustments		
Realized (gains) losses	(3,500)	(5,554)
Unrealized (gains) losses	(1,842)	1,747
Gross proceeds of disposition of investments	22,209	32,546
Gross payments for the purchase of investments	(18,914)	(27,528)
	<u>1,835</u>	<u>3,577</u>
Financing Activities		
Contractholder deposits	5,848	5,591
Contractholder withdrawals	(7,683)	(9,168)
	<u>(1,835)</u>	<u>(3,577)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Income Growth Plus Fund SF633

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund S-285LL	837	1,120
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.61%	
Mackenzie US Large Cap Index ETF *	5.25%	
The Toronto-Dominion Bank	4.53%	
Canadian Natural Resources Ltd.	3.53%	
Canadian Pacific Kansas City Ltd.	3.44%	
Canadian Fixed Income Fund 2.81MI	10,173	10,302
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Enhanced Dividend Fund (Laketon) SF039	3,203	4,479
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.64%	
The Toronto-Dominion Bank	6.06%	
Bank of Montreal	5.65%	
Sun Life Financial Inc.	4.65%	
Enbridge Inc.	4.40%	
Fixed Income Fund (Laketon) SF019	9,452	10,871
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Dividend Fund (SAM) SF528	3,748	4,477
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Growth Plus Fund SF633

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Future Fund S-183MF	3,978	4,475
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Emerging Markets Large Cap Equity Fund Series R *	7.54%	
Apple Inc.	3.91%	
Microsoft Corp.	3.78%	
Aon PLC	3.64%	
Amazon.com Inc.	3.51%	
Global Unconstrained Fund (Mackenzie) SF530	2,108	2,540
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	1,124	1,201
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	
Pathways Canadian Equity Fund (GWLIM) SF543	2,610	3,358
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	1,066	1,202
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	

*The issuer of this security is a related company to the issuer of the Fund.

Income Growth Plus Fund SF633

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Private Credit Fund 1.76NL	179	204
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Estate Fund (GWLRA) SF353	3,760	4,915
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Laird Business Park	6.27%	
Livmore High Park	5.49%	
High Park Village - West Tower	5.08%	
Grenadier Square	4.55%	
320 McRae Ave.	4.14%	
Real Return Bond Fund (PIM) SF820	896	1,011
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
U.S. Dividend Fund (GWLIM) SF522	3,403	4,476
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.36%	
Microsoft Corp.	5.15%	
Alphabet Inc. Class A	4.52%	
Amazon.com Inc.	4.14%	
Broadcom Inc.	3.52%	
Total Investments	46,537	54,631

Income Growth Plus Fund SF633

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Generations/Mosaic	126,005	140,096	170,196	197,109	216,657	2,331	2,417	2,812	3,574	3,764
Generations I	194,288	255,372	298,982	395,002	468,868	3,580	4,385	4,909	7,112	8,079
Generations II	5,092	4,405	4,775	4,815	4,897	85	68	71	79	77
Generations Core	17,779	26,045	43,460	45,388	61,918	310	423	673	768	1,000
75/75 guarantee policy	260,252	284,547	301,153	324,749	345,481	4,656	4,730	4,774	5,630	5,716
75/100 guarantee policy	1,730,594	1,826,525	1,922,205	1,888,881	1,754,894	30,291	29,789	29,980	32,304	28,723
100/100 guarantee policy	47,144	77,308	76,049	78,167	75,429	800	1,225	1,156	1,305	1,208
PS1 75/75 guarantee policy	128,904	87,103	110,663	101,484	105,882	2,170	1,359	1,643	1,644	1,633
PS1 75/100 guarantee policy	530,567	461,860	448,817	432,704	342,213	8,812	7,119	6,589	6,938	5,230
PS1 100/100 guarantee policy	31,703	3,151	3,152	3,155	1,710	516	48	45	50	26
PS2 75/75 guarantee policy	7,404	5,326	7,904	11,631	18,505	167	109	150	236	349
PS2 75/100 guarantee policy	8,122	8,889	11,174	13,309	37,831	183	182	212	269	712
PS2 100/100 guarantee policy	1,691	2,153	2,663	3,848	5,149	38	44	51	78	97
PS 75/75 guarantee policy	683	686	689	693	696	9	8	8	8	8
PS 75/100 guarantee policy	53,103	56,896	63,828	24,408	24,058	662	653	693	287	268
PPS 75/100 guarantee policy	1,632	2,138	2,611	89	—	21	25	29	1	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
Generations/Mosaic	18.50	17.26	16.52	18.13	17.37	1.24	0.74
Generations I	18.43	17.17	16.42	18.00	17.23	1.26	0.75
Generations II	16.64	15.54	14.89	16.37	15.70	1.10	0.65
Generations Core	17.47	16.23	15.48	16.92	16.15	1.24	0.75
75/75 guarantee policy	17.89	16.62	15.85	17.34	16.55	1.27	0.77
75/100 guarantee policy	17.50	16.31	15.60	17.10	16.37	1.19	0.71
100/100 guarantee policy	16.98	15.85	15.19	16.70	16.02	1.13	0.66
PS1 75/75 guarantee policy	16.83	15.60	14.85	16.20	15.42	1.23	0.75
PS1 75/100 guarantee policy	16.61	15.41	14.68	16.03	15.28	1.20	0.73
PS1 100/100 guarantee policy	16.27	15.12	14.43	15.78	15.07	1.15	0.69
PS2 75/75 guarantee policy	22.59	20.45	19.01	20.26	18.85	2.14	1.44
PS2 75/100 guarantee policy	22.58	20.44	19.00	20.25	18.84	2.14	1.44
PS2 100/100 guarantee policy	22.61	20.47	19.03	20.28	18.86	2.14	1.44
PS 75/75 guarantee policy	12.69	11.66	11.00	11.89	11.23	1.03	0.66
PS 75/100 guarantee policy	12.46	11.48	10.86	11.78	11.15	0.98	0.62
PPS 75/100 guarantee policy	12.82	11.77	11.09	11.96	—	1.05	0.68

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Income Growth Plus Fund SF633 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year..

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Income Growth Plus Fund SF633

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Income Growth Plus Fund SF633

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
Generations/Mosaic	2.98	2.95	2.95	2.95	2.95
Generations I	2.87	2.84	2.84	2.84	2.84
Generations II	3.10	3.06	3.06	3.06	3.06
Generations Core	2.60	2.57	2.56	2.57	2.56
75/75 guarantee policy	2.60	2.57	2.56	2.57	2.56
75/100 guarantee policy	2.87	2.84	2.84	2.84	2.84
100/100 guarantee policy	3.10	3.06	3.06	3.06	3.06
PS1 75/75 guarantee policy	2.35	2.33	2.32	2.33	2.32
PS1 75/100 guarantee policy	2.47	2.44	2.43	2.43	2.43
PS1 100/100 guarantee policy	2.63	2.60	2.60	2.60	2.59
PS 75/75 guarantee policy	1.48	1.47	1.45	1.47	1.46
PS 75/100 guarantee policy	1.76	1.74	1.72	1.74	1.73
PPS 75/100 guarantee policy	1.35	1.33	1.34	1.34	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	35.28	51.76	13.17	22.60	20.73

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
ESG U.S. EQUITY FUND 2.37JPM

December 31, 2024

Independent Auditor's Report

To the Contractholders of ESG U.S. Equity Fund 2.37JPM (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year ended December 31, 2024 and the period ended December 31, 2023, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and the period ended December 31, 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

ESG U.S. Equity Fund 2.37JPM

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ 2	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	5	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	5,862	70
Total investments	5,862	70
Total assets	\$ 5,869	\$ 70
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 5,869	\$ 70

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 249	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	249	—
Expenses		
Management fees (note 8)	28	—
Other	3	—
Total expenses	31	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 218	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ 70	\$ —
Contractholder deposits	6,090	70
Contractholder withdrawals	(509)	—
Increase (decrease) in net assets from operations attributable to contractholders	218	—
Change in net assets attributable to contractholders	5,799	70
Net assets attributable to contractholders - end of year	\$ 5,869	\$ 70

ESG U.S. Equity Fund 2.37JPM

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 218	\$ —
Adjustments		
Realized (gains) losses	(14)	—
Unrealized (gains) losses	(146)	1
Gross proceeds of disposition of investments	549	1
Gross payments for the purchase of investments	(6,092)	(71)
Distribution income of underlying mutual fund	(89)	(1)
Change in due from/to The Canada Life Assurance Company	(5)	—
Change in due from/to brokers	—	—
	(5,579)	(70)
Financing Activities		
Contractholder deposits	6,090	70
Contractholder withdrawals	(509)	—
	5,581	70
Net increase (decrease) in cash, short-term deposits and overdrafts	2	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ 2	\$ —

ESG U.S. Equity Fund 2.37JPM

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life ESG U.S. Equity Fund Series S *	381,465	5,717	5,862
Total Investments		5,717	5,862

Top 25 Holdings

Security Description	% of Total
Apple Inc.	7.53%
NVIDIA Corp.	7.13%
Microsoft Corp.	6.84%
Amazon.com Inc.	4.51%
Meta Platforms Inc.	2.86%
Alphabet Inc. Class A	2.26%
Tesla Inc.	2.15%
Broadcom Inc.	1.97%
Alphabet Inc. Class C	1.70%
Berkshire Hathaway Inc. Class B	1.68%
Visa Inc. Class A	1.57%
Mastercard Inc. Class A	1.38%
Eli Lilly and Co.	1.21%
UnitedHealth Group Inc.	1.21%
Exxon Mobil Corp.	1.18%
Bank of America Corp.	1.09%
AbbVie Inc.	1.03%
PepsiCo Inc.	0.92%
Salesforce Inc.	0.84%
Wells Fargo & Co.	0.79%
ServiceNow Inc.	0.77%
Costco Wholesale Corp.	0.75%
Deere & Co.	0.74%
Lowe's Companies Inc.	0.74%
The Coca-Cola Co.	0.73%

*The issuer of this security is a related company to the issuer of the Fund.

ESG U.S. Equity Fund 2.37JPM

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	7,380	6,852	—	—	—	100	70	—	—	—
75/100 guarantee policy	14,160	23	—	—	—	191	—	—	—	—
PS1 75/75 guarantee policy	1,397	—	—	—	—	19	—	—	—	—
PS1 75/100 guarantee policy	331,175	—	—	—	—	4,498	—	—	—	—
PS 75/100 guarantee policy	1,498	—	—	—	—	21	—	—	—	—
75/75 Constellation	71,866	—	—	—	—	987	—	—	—	—
75/100 Constellation	3,880	—	—	—	—	53	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.57	10.24	—	—	—	3.33	0.24
75/100 guarantee policy	13.52	10.24	—	—	—	3.28	0.24
PS1 75/75 guarantee policy	13.63	—	—	—	—	3.38	—
PS1 75/100 guarantee policy	13.58	—	—	—	—	3.33	—
PS 75/100 guarantee policy	13.71	—	—	—	—	3.45	—
75/75 Constellation	13.73	—	—	—	—	3.47	—
75/100 Constellation	13.67	—	—	—	—	3.42	—

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The ESG U.S. Equity Fund 2.37JPM (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

ESG U.S. Equity Fund 2.37JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

ESG U.S. Equity Fund 2.37JPM

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.77	—	—	—
75/100 guarantee policy	3.11	3.10	—	—	—
PS1 75/75 guarantee policy	2.48	—	—	—	—
PS1 75/100 guarantee policy	2.76	—	—	—	—
PS 75/100 guarantee policy	2.01	—	—	—	—
75/75 Constellation	1.83	—	—	—	—
75/100 Constellation	2.24	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	40.96	1.19	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
U.S. CARBON TRANSITION EQUITY FUND 2.38JPM

December 31, 2024

Independent Auditor's Report

To the Contractholders of U.S. Carbon Transition Equity Fund 2.38JPM (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statement of financial position as at December 31, 2024, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

U.S. Carbon Transition Equity Fund 2.38JPM

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	509	—
Total investments	509	—
Total assets	\$ 509	\$ —
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 509	\$ —

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 43	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	43	—
Expenses		
Management fees (note 8)	4	—
Other	—	—
Total expenses	4	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 39	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ —	\$ —
Contractholder deposits	496	—
Contractholder withdrawals	(26)	—
Increase (decrease) in net assets from operations attributable to contractholders	39	—
Change in net assets attributable to contractholders	509	—
Net assets attributable to contractholders - end of year	\$ 509	\$ —

U.S. Carbon Transition Equity Fund 2.38JPM

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 39	\$ —
Adjustments		
Realized (gains) losses	(3)	—
Unrealized (gains) losses	(29)	—
Gross proceeds of disposition of investments	43	—
Gross payments for the purchase of investments	(509)	—
Distribution income of underlying mutual fund	(11)	—
Change in due from/to The Canada Life Assurance Company	—	—
Change in due from/to brokers	—	—
	(470)	—
Financing Activities		
Contractholder deposits	496	—
Contractholder withdrawals	(26)	—
	470	—
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

U.S. Carbon Transition Equity Fund 2.38JPM

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life U.S. Carbon Transition Equity Fund Series S *	32,054	480	509
Total Investments		480	509

Top 25 Holdings

Security Description	% of Total
Apple Inc.	7.13%
NVIDIA Corp.	6.29%
Microsoft Corp.	5.75%
Amazon.com Inc.	3.71%
Alphabet Inc. Class A	3.64%
Tesla Inc.	2.45%
Broadcom Inc.	2.43%
Meta Platforms Inc.	2.23%
Eli Lilly and Co.	1.48%
Visa Inc. Class A	1.26%
Mastercard Inc. Class A	1.13%
Netflix Inc.	1.03%
UnitedHealth Group Inc.	1.03%
The Home Depot Inc.	1.02%
Berkshire Hathaway Inc. Class B	0.95%
Cisco Systems Inc.	0.77%
ConocoPhillips	0.75%
Accenture PLC Class A	0.72%
ServiceNow Inc.	0.71%
McDonald's Corp.	0.70%
Johnson & Johnson Inc.	0.68%
Linde PLC	0.68%
Advanced Micro Devices Inc.	0.67%
Intuitive Surgical Inc.	0.66%
The Goldman Sachs Group Inc.	0.64%

*The issuer of this security is a related company to the issuer of the Fund.

U.S. Carbon Transition Equity Fund 2.38JPM

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	8,540	10	—	—	—	104	—	—	—	—
75/100 guarantee policy	23,999	—	—	—	—	293	—	—	—	—
PS1 75/75 guarantee policy	3,214	—	—	—	—	39	—	—	—	—
PS1 75/100 guarantee policy	5,925	—	—	—	—	73	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.21	9.94	—	—	—	2.27	(0.06)
75/100 guarantee policy	12.19	—	—	—	—	2.24	—
PS1 75/75 guarantee policy	12.30	—	—	—	—	2.35	—
PS1 75/100 guarantee policy	12.25	—	—	—	—	2.30	—

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The U.S. Carbon Transition Equity Fund 2.38JPM (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

U.S. Carbon Transition Equity Fund 2.38JPM

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

U.S. Carbon Transition Equity Fund 2.38JPM

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.78	—	—	—
75/100 guarantee policy	3.11	—	—	—	—
PS1 75/75 guarantee policy	2.48	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	28.04	—	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL SMALL-MID CAP GROWTH FUND 2.39MI

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Small-Mid Cap Growth Fund 2.39MI (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year ended December 31, 2024 and the period ended December 31, 2023, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and the period ended December 31, 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Small-Mid Cap Growth Fund 2.39MI

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	2,054	101
Total investments	2,054	101
Total assets	\$ 2,054	\$ 101
Liabilities		
Overdrafts	\$ 3	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	3	—
Net assets attributable to contractholders	\$ 2,051	\$ 101

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ (28)	\$ 4
Miscellaneous income (loss)	—	—
Total income (loss)	(28)	4
Expenses		
Management fees (note 8)	24	—
Other	3	—
Total expenses	27	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ (55)	\$ 4

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ 101	\$ —
Contractholder deposits	2,193	97
Contractholder withdrawals	(188)	—
Increase (decrease) in net assets from operations attributable to contractholders	(55)	4
Change in net assets attributable to contractholders	1,950	101
Net assets attributable to contractholders - end of year	\$ 2,051	\$ 101

Global Small-Mid Cap Growth Fund 2.39MI

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ (55)	\$ 4
Adjustments		
Realized (gains) losses	(4)	—
Unrealized (gains) losses	399	(1)
Gross proceeds of disposition of investments	338	1
Gross payments for the purchase of investments	(2,319)	(98)
Distribution income of underlying mutual fund	(367)	(3)
Change in due from/to The Canada Life Assurance Company	—	—
Change in due from/to brokers	—	—
	(2,008)	(97)
Financing Activities		
Contractholder deposits	2,193	97
Contractholder withdrawals	(188)	—
	2,005	97
Net increase (decrease) in cash, short-term deposits and overdrafts	(3)	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ (3)	\$ —

Global Small-Mid Cap Growth Fund 2.39MI

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Global Small-Mid Cap Equity Fund Series S *	194,054	2,453	2,054
Total Investments		2,453	2,054

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	3.86%
Academy Sports & Outdoors Inc.	2.86%
Kyndryl Holdings Inc.	2.71%
Advance Auto Parts Inc.	2.56%
Assured Guaranty Ltd.	2.37%
Kulicke & Soffa Industries Inc.	2.33%
Barrett Business Services Inc.	2.24%
International General Insurance Holdings Ltd.	2.23%
The Hackett Group Inc.	2.14%
Healthcare Services Group Inc.	2.00%
Air Lease Corp.	1.92%
IDT Corp.	1.70%
Axis Capital Holdings Ltd.	1.64%
MSC Industrial Direct Co. Inc. Class A	1.64%
Vontier Corp.	1.63%
Ziff Davis Inc.	1.62%
Home BancShares Inc.	1.60%
Pason Systems Inc.	1.55%
Element Solutions Inc.	1.54%
Ingevity Corp.	1.47%
Marex Group PLC	1.47%
Silgan Holdings Inc.	1.45%
GCM Grosvenor Inc.	1.43%
The Timken Co.	1.37%
Shutterstock Inc.	1.35%

*The issuer of this security is a related company to the issuer of the Fund.

Global Small-Mid Cap Growth Fund 2.39MI

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	30,043	764	—	—	—	334	8	—	—	—
75/100 guarantee policy	31,380	263	—	—	—	348	3	—	—	—
PS1 75/75 guarantee policy	45,290	1,232	—	—	—	506	13	—	—	—
PS1 75/100 guarantee policy	64,335	749	—	—	—	715	8	—	—	—
PS2 75/75 guarantee policy	3,486	5,110	—	—	—	40	56	—	—	—
PS2 75/100 guarantee policy	7,556	—	—	—	—	87	—	—	—	—
PS 75/75 guarantee policy	—	1,183	—	—	—	—	13	—	—	—
PPS 75/75 guarantee policy	1,231	—	—	—	—	14	—	—	—	—
PPS 75/100 guarantee policy	630	—	—	—	—	7	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.12	10.80	—	—	—	0.32	0.80
75/100 guarantee policy	11.07	10.79	—	—	—	0.28	0.79
PS1 75/75 guarantee policy	11.17	10.81	—	—	—	0.36	0.81
PS1 75/100 guarantee policy	11.12	10.80	—	—	—	0.32	0.80
PS2 75/75 guarantee policy	11.53	10.86	—	—	—	0.67	0.86
PS2 75/100 guarantee policy	11.53	—	—	—	—	0.67	—
PS 75/75 guarantee policy	—	10.82	—	—	—	—	0.82
PPS 75/75 guarantee policy	11.32	—	—	—	—	0.49	—
PPS 75/100 guarantee policy	11.26	—	—	—	—	0.44	—

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Small-Mid Cap Growth Fund 2.39MI (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Global Small-Mid Cap Growth Fund 2.39MI

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

Global Small-Mid Cap Growth Fund 2.39MI

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.01	2.94	—	—	—
75/100 guarantee policy	3.45	3.39	—	—	—
PS1 75/75 guarantee policy	2.66	2.60	—	—	—
PS1 75/100 guarantee policy	3.10	3.03	—	—	—
PS 75/75 guarantee policy	—	1.84	—	—	—
PPS 75/75 guarantee policy	1.56	—	—	—	—
PPS 75/100 guarantee policy	2.02	—	—	—	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.66	2.62	—	—	—
PS1 75/100 guarantee policy	3.10	3.05	—	—	—
PPS 75/75 guarantee policy	1.56	—	—	—	—
PPS 75/100 guarantee policy	2.02	—	—	—	—

Portfolio Turnover Rate (%) ⁽³⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	31.73	2.12	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(4) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CANADA LIFE DIVERSIFIED REAL ASSETS FUND
2.40CS

December 31, 2024

Independent Auditor's Report

To the Contractholders of Canada Life Diversified Real Assets Fund 2.40CS (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the year ended December 31, 2024 and the period ended December 31, 2023, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and the period ended December 31, 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Canada Life Diversified Real Assets Fund 2.40CS

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 10)
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	73	50
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	8,443	1,097
Total investments	8,443	1,097
Total assets	\$ 8,516	\$ 1,147
Liabilities		
Overdrafts	\$ 33	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	33	—
Net assets attributable to contractholders	\$ 8,483	\$ 1,147

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 10)
Income		
Net gain (loss) on investments	\$ 538	\$ 13
Miscellaneous income (loss)	—	—
Total income (loss)	538	13
Expenses		
Management fees (note 8)	105	2
Other	11	—
Total expenses	116	2
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 422	\$ 11

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 10)
Net assets attributable to contractholders - beginning of year	\$ 1,147	\$ —
Contractholder deposits	7,410	1,137
Contractholder withdrawals	(496)	(1)
Increase (decrease) in net assets from operations attributable to contractholders	422	11
Change in net assets attributable to contractholders	7,336	1,147
Net assets attributable to contractholders - end of year	\$ 8,483	\$ 1,147

Canada Life Diversified Real Assets Fund 2.40CS

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 10)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 422	\$ 11
Adjustments		
Realized (gains) losses	(28)	—
Unrealized (gains) losses	(243)	9
Gross proceeds of disposition of investments	499	2
Gross payments for the purchase of investments	(7,307)	(1,086)
Distribution income of underlying mutual fund	(267)	(22)
Change in due from/to The Canada Life Assurance Company	(23)	(50)
Change in due from/to brokers	—	—
	(6,947)	(1,136)
Financing Activities		
Contractholder deposits	7,410	1,137
Contractholder withdrawals	(496)	(1)
	6,914	1,136
Net increase (decrease) in cash, short-term deposits and overdrafts	(33)	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ (33)	\$ —

Canada Life Diversified Real Assets Fund 2.40CS

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Canada Life Diversified Real Assets Fund Series S *	770,586	8,209	8,443
Total Investments		8,209	8,443

Top 25 Holdings

Security Description	% of Total
abrdn Bloomberg All Commodity Strategy	2.33%
TC Energy Corp.	2.16%
SPDR Portfolio Short Term Corporate Bond ETF	2.14%
The Williams Companies Inc.	1.98%
American Tower Corp. REIT Class A	1.78%
Shell PLC	1.72%
National Grid PLC	1.68%
Vinci SA	1.58%
Welltower Inc. REIT	1.48%
Corteva Inc.	1.42%
AGCO Corp.	1.41%
Enbridge Inc.	1.40%
Bunge Global SA	1.37%
Crown Castle Inc.	1.32%
Targa Resources Corp.	1.26%
TotalEnergies SE	1.22%
PG&E Corp.	1.20%
Anglo American PLC	1.15%
Pembina Pipeline Corp.	1.11%
Digital Realty Trust Inc. REIT	1.07%
CF Industries Holdings Inc.	1.05%
Glencore Xstrata PLC	1.02%
Reliance Industries Ltd.	1.01%
Prologis Inc. REIT	0.95%
Exxon Mobil Corp.	0.94%

*The issuer of this security is a related company to the issuer of the Fund.

Canada Life Diversified Real Assets Fund 2.40CS

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 10)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	44,907	6,705	—	—	—	514	70	—	—	—
75/100 guarantee policy	251,966	40,549	—	—	—	2,871	422	—	—	—
PS1 75/75 guarantee policy	59,649	11,405	—	—	—	684	119	—	—	—
PS1 75/100 guarantee policy	242,606	34,750	—	—	—	2,774	362	—	—	—
PS2 75/75 guarantee policy	35,951	16,411	—	—	—	426	172	—	—	—
PS2 75/100 guarantee policy	62,210	—	—	—	—	737	—	—	—	—
PS 75/75 guarantee policy	5,135	—	—	—	—	59	—	—	—	—
PS 75/100 guarantee policy	3,316	—	—	—	—	38	—	—	—	—
PPS 75/75 guarantee policy	19,384	196	—	—	—	225	2	—	—	—
PPS 75/100 guarantee policy	13,374	—	—	—	—	155	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 7, 10)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.44	10.42	—	—	—	1.02	0.42
75/100 guarantee policy	11.39	10.41	—	—	—	0.98	0.41
PS1 75/75 guarantee policy	11.47	10.42	—	—	—	1.05	0.42
PS1 75/100 guarantee policy	11.43	10.42	—	—	—	1.01	0.42
PS2 75/75 guarantee policy	11.85	10.48	—	—	—	1.37	0.48
PS2 75/100 guarantee policy	11.85	—	—	—	—	1.37	—
PS 75/75 guarantee policy	11.59	—	—	—	—	1.15	—
PS 75/100 guarantee policy	11.54	—	—	—	—	1.11	—
PPS 75/75 guarantee policy	11.62	10.44	—	—	—	1.18	0.44
PPS 75/100 guarantee policy	11.58	—	—	—	—	1.14	—

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Canada Life Diversified Real Assets Fund 2.40CS (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

Canada Life Diversified Real Assets Fund 2.40CS

Notes to the Financial Statements

(in Canadian \$ thousands)

10. COMPARATIVE FINANCIAL STATEMENTS

The Company introduced the Fund during 2023. Accordingly, the comparative financial statements reflect activity for the period:

October 23, 2023 to December 31, 2023

Canada Life Diversified Real Assets Fund 2.40CS

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.00	2.88	—	—	—
75/100 guarantee policy	3.33	3.21	—	—	—
PS1 75/75 guarantee policy	2.73	2.64	—	—	—
PS1 75/100 guarantee policy	3.01	2.92	—	—	—
PS 75/75 guarantee policy	1.89	—	—	—	—
PS 75/100 guarantee policy	2.23	—	—	—	—
PPS 75/75 guarantee policy	1.62	1.58	—	—	—
PPS 75/100 guarantee policy	1.90	—	—	—	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.75	2.64	—	—	—
PS1 75/100 guarantee policy	3.03	2.92	—	—	—
PPS 75/75 guarantee policy	1.64	1.58	—	—	—
PPS 75/100 guarantee policy	1.92	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	11.04	0.35	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 23, 2023 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
HIGH INTEREST SAVINGS FUND 2.56CPS

December 31, 2024

Independent Auditor's Report

To the Contractholders of High Interest Savings Fund 2.56CPS (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statement of financial position as at December 31, 2024, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the period then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

High Interest Savings Fund 2.56CPS

(in Canadian \$ thousands)

Fund Manager: Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
		(note 1)
Assets		
Cash and short-term deposits	\$ 805	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 6)	32	—
Due from brokers	—	—
Due from outside parties	—	—
Investments	—	—
Investment fund units (note 3)	73,768	—
Total investments	73,768	—
Total assets	\$ 74,605	\$ —
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 6)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 74,605	\$ —

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
		(note 1)
Income		
Net gain (loss) on investments	\$ 1,095	\$ —
Miscellaneous income (loss)	—	—
Total income (loss)	1,095	—
Expenses		
Management fees (note 6)	212	—
Other	22	—
Total expenses	234	—
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 861	\$ —

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
		(note 1)
Net assets attributable to contractholders - beginning of year	\$ —	\$ —
Contractholder deposits	85,680	—
Contractholder withdrawals	(11,936)	—
Increase (decrease) in net assets from operations attributable to contractholders	861	—
Change in net assets attributable to contractholders	74,605	—
Net assets attributable to contractholders - end of year	\$ 74,605	\$ —

High Interest Savings Fund 2.56CPS

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
		(note 1)
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 861	\$ —
Adjustments		
Realized (gains) losses	—	—
Unrealized (gains) losses	—	—
Gross proceeds of disposition of investments	9,168	—
Gross payments for the purchase of investments	(81,841)	—
Distribution income of underlying mutual fund	(1,095)	—
Change in due from/to The Canada Life Assurance Company	(32)	—
Change in due from/to brokers	—	—
	<u>(72,939)</u>	<u>—</u>
Financing Activities		
Contractholder deposits	85,680	—
Contractholder withdrawals	(11,936)	—
	<u>73,744</u>	<u>—</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	805	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ 805	\$ —

High Interest Savings Fund 2.56CPS

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Counsel High Interest Savings Fund *	7,376,765	73,768	73,768
Total Investments		73,768	73,768

Top Holdings

Security Description	% of Total
EQ Bank HISA Account	45.41%
The Bank of Nova Scotia Investment Savings Account	39.85%
National Bank IPC HISA Account	14.75%
Counsel Money Market Fund Series O *	0.09%
Cash, short-term deposits and overdrafts	(0.10%)

*The issuer of this security is a related company to the issuer of the Fund.

High Interest Savings Fund 2.56CPS

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category (note 1)

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,335,060	—	—	—	—	13,623	—	—	—	—
75/100 guarantee policy	1,721,093	—	—	—	—	17,563	—	—	—	—
100/100 guarantee policy	223,399	—	—	—	—	2,280	—	—	—	—
PS1 75/75 guarantee policy	1,374,851	—	—	—	—	14,029	—	—	—	—
PS1 75/100 guarantee policy	1,587,792	—	—	—	—	16,202	—	—	—	—
PS1 100/100 guarantee policy	31,146	—	—	—	—	318	—	—	—	—
PS2 75/75 guarantee policy	210,156	—	—	—	—	2,162	—	—	—	—
PS2 75/100 guarantee policy	133,362	—	—	—	—	1,372	—	—	—	—
PS 75/75 guarantee policy	139,847	—	—	—	—	1,429	—	—	—	—
PS 75/100 guarantee policy	41,564	—	—	—	—	425	—	—	—	—
PPS 75/75 guarantee policy	338,642	—	—	—	—	3,461	—	—	—	—
PPS 75/100 guarantee policy	91,659	—	—	—	—	937	—	—	—	—
PPS 100/100 guarantee policy	78,712	—	—	—	—	804	—	—	—	—

Net Assets Attributable to Contractholders Per Unit (notes 1, 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.20	—	—	—	—	0.20	—
75/100 guarantee policy	10.20	—	—	—	—	0.20	—
100/100 guarantee policy	10.21	—	—	—	—	0.21	—
PS1 75/75 guarantee policy	10.20	—	—	—	—	0.20	—
PS1 75/100 guarantee policy	10.20	—	—	—	—	0.20	—
PS1 100/100 guarantee policy	10.20	—	—	—	—	0.20	—
PS2 75/75 guarantee policy	10.29	—	—	—	—	0.29	—
PS2 75/100 guarantee policy	10.29	—	—	—	—	0.29	—
PS 75/75 guarantee policy	10.22	—	—	—	—	0.22	—
PS 75/100 guarantee policy	10.22	—	—	—	—	0.22	—
PPS 75/75 guarantee policy	10.22	—	—	—	—	0.22	—
PPS 75/100 guarantee policy	10.22	—	—	—	—	0.22	—
PPS 100/100 guarantee policy	10.22	—	—	—	—	0.22	—

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The High Interest Savings Fund 2.56CPS (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company). The Fund commenced on May 10, 2024 and as a result does not have comparative figures for the prior years.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

High Interest Savings Fund 2.56CPS

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

High Interest Savings Fund 2.56CPS

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.02	—	—	—	—
75/100 guarantee policy	1.01	—	—	—	—
100/100 guarantee policy	1.02	—	—	—	—
PS1 75/75 guarantee policy	1.01	—	—	—	—
PS1 75/100 guarantee policy	1.01	—	—	—	—
PS1 100/100 guarantee policy	1.02	—	—	—	—
PS 75/75 guarantee policy	0.79	—	—	—	—
PS 75/100 guarantee policy	0.79	—	—	—	—
PPS 75/75 guarantee policy	0.79	—	—	—	—
PPS 75/100 guarantee policy	0.79	—	—	—	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.35	—	—	—	—
75/100 guarantee policy	1.34	—	—	—	—
100/100 guarantee policy	1.35	—	—	—	—
PS1 75/75 guarantee policy	1.34	—	—	—	—
PS1 75/100 guarantee policy	1.34	—	—	—	—
PS1 100/100 guarantee policy	1.35	—	—	—	—
PS 75/75 guarantee policy	1.12	—	—	—	—
PS 75/100 guarantee policy	1.12	—	—	—	—
PPS 75/75 guarantee policy	1.12	—	—	—	—
PPS 75/100 guarantee policy	1.12	—	—	—	—
PPS 100/100 guarantee policy	1.12	—	—	—	—

Portfolio Turnover Rate (%) ⁽³⁾⁽⁴⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	19.72	—	—	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The waiving of direct expenses to the segregated funds is done on a discretionary basis to maintain management expense ratios at competitive levels. There is no obligation on the Company to waive expenses and it may cease to do so at any time.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(4) The Fund commenced on May 10, 2024 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED INCOME FUND (CI) SF800

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Income Fund (CI) SF800 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Income Fund (CI) SF800

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	23,618	24,495
Total investments	23,618	24,495
Total assets	\$ 23,618	\$ 24,495
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 23,618	\$ 24,495

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,288	\$ 2,719
Miscellaneous income (loss)	—	—
Total income (loss)	3,288	2,719
Expenses		
Management fees (note 8)	629	647
Other	62	64
Total expenses	691	711
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,597	\$ 2,008

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 24,495	\$ 25,731
Contractholder deposits	87	13
Contractholder withdrawals	(3,561)	(3,257)
Increase (decrease) in net assets from operations attributable to contractholders	2,597	2,008
Change in net assets attributable to contractholders	(877)	(1,236)
Net assets attributable to contractholders - end of year	\$ 23,618	\$ 24,495

Balanced Income Fund (CI) SF800

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,597	\$ 2,008
Adjustments		
Realized (gains) losses	(823)	(174)
Unrealized (gains) losses	(2,465)	(2,545)
Gross proceeds of disposition of investments	4,267	4,022
Gross payments for the purchase of investments	(102)	(67)
	<u>3,474</u>	<u>3,244</u>
Financing Activities		
Contractholder deposits	87	13
Contractholder withdrawals	(3,561)	(3,257)
	<u>(3,474)</u>	<u>(3,244)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Balanced Income Fund (CI) SF800

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Aggregate Bond ETF Fund 1.44GLC	9,882	10,728
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Aggregate Bond Index ETF *	100.00%	
Canadian Large Cap Equity Index ETF Fund 1.83MI	5,895	7,715
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Large Cap Equity Index ETF *	100.00%	
International Equity Index ETF Fund 1.82MI	1,465	1,945
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie International Equity Index ETF *	100.00%	
US Large Cap Equity Index ETF Fund 1.84MI	1,941	3,230
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Large Cap Index ETF *	100.00%	
Total Investments	19,183	23,618

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Income Fund (CI) SF800

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	196,363	219,068	236,538	255,778	281,711	3,971	3,978	3,961	4,918	4,947
75/100 guarantee policy	895,789	1,029,184	1,164,867	1,340,721	1,509,696	17,998	18,574	19,400	25,655	26,397
100/100 guarantee policy	30,333	37,453	59,697	60,185	57,663	594	661	973	1,129	990
PS1 75/75 guarantee policy	6,576	6,908	21,353	63,110	81,899	133	125	355	1,197	1,410
PS1 75/100 guarantee policy	29,755	43,274	59,522	81,857	84,953	600	779	983	1,544	1,456
PS1 100/100 guarantee policy	15,786	20,335	1,830	3,860	5,158	312	359	30	72	87
PS2 75/100 guarantee policy	354	812	1,362	1,860	2,364	10	19	29	44	50

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	20.22	18.16	16.75	19.23	17.56	2.06	1.41
75/100 guarantee policy	20.09	18.05	16.65	19.13	17.48	2.04	1.40
100/100 guarantee policy	19.60	17.64	16.30	18.76	17.17	1.96	1.34
PS1 75/75 guarantee policy	20.30	18.12	16.61	18.97	17.22	2.18	1.51
PS1 75/100 guarantee policy	20.15	18.00	16.51	18.86	17.14	2.15	1.49
PS1 100/100 guarantee policy	19.74	17.66	16.23	18.57	16.90	2.08	1.43
PS2 75/100 guarantee policy	27.25	23.78	21.32	23.79	21.10	3.47	2.46

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Income Fund (CI) SF800 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year..

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Income Fund (CI) SF800

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Income Fund (CI) SF800

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.84	2.82	2.88	2.93	2.93
75/100 guarantee policy	2.90	2.88	2.93	2.99	2.99
100/100 guarantee policy	3.05	3.03	3.08	3.14	3.14
PS1 75/75 guarantee policy	2.26	2.25	2.32	2.36	2.36
PS1 75/100 guarantee policy	2.32	2.30	2.36	2.41	2.41
PS1 100/100 guarantee policy	2.48	2.47	2.54	2.58	2.57

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.42	0.26	101.77	0.82	8.64

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE BALANCED FUND SF801

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Balanced Fund SF801 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Balanced Fund SF801

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	77,303	70,989
Total investments	77,303	70,989
Total assets	\$ 77,303	\$ 70,989
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 77,303	\$ 70,989

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 9,665	\$ 6,925
Miscellaneous income (loss)	—	—
Total income (loss)	9,665	6,925
Expenses		
Management fees (note 8)	1,691	1,575
Other	174	159
Total expenses	1,865	1,734
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 7,800	\$ 5,191

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 70,989	\$ 64,761
Contractholder deposits	7,330	7,794
Contractholder withdrawals	(8,816)	(6,757)
Increase (decrease) in net assets from operations attributable to contractholders	7,800	5,191
Change in net assets attributable to contractholders	6,314	6,228
Net assets attributable to contractholders - end of year	\$ 77,303	\$ 70,989

Core Balanced Fund SF801

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 7,800	\$ 5,191
Adjustments		
Realized (gains) losses	(3,263)	(2,046)
Unrealized (gains) losses	(6,402)	(4,879)
Gross proceeds of disposition of investments	9,145	8,110
Gross payments for the purchase of investments	(5,794)	(7,413)
	<u>1,486</u>	<u>(1,037)</u>
Financing Activities		
Contractholder deposits	7,330	7,794
Contractholder withdrawals	(8,816)	(6,757)
	<u>(1,486)</u>	<u>1,037</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Core Balanced Fund SF801

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund (Laketon) SF009	3,934	6,929
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.03%	
Constellation Software Inc.	5.11%	
Shopify Inc.	4.71%	
Canadian Natural Resources Ltd.	3.77%	
Brookfield Corp.	3.70%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	3,825	6,929
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Dividend Fund S-189LL	7,939	13,926
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.85%	
The Toronto-Dominion Bank	5.59%	
Bank of Montreal	5.19%	
Sun Life Financial Inc.	4.15%	
Enbridge Inc.	4.03%	
Fixed Income Fund (Laketon) SF019	27,579	31,139
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Equity Fund SF034	2,411	4,598
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.71%	
Berkshire Hathaway Inc. Class B	4.59%	
Microsoft Corp.	4.43%	
Oracle Corp.	4.04%	
Booking Holdings Inc.	3.81%	

Core Balanced Fund SF801

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Fund (P) SF529	3,137	4,597
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
AstraZeneca PLC	3.09%	
London Stock Exchange Group PLC	3.03%	
Compass Group PLC	2.89%	
Linde PLC	2.78%	
Mitsubishi UFJ Financial Group Inc.	2.67%	
U.S. Equity Fund (GWLIM) SF517	1,221	2,285
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.54%	
Microsoft Corp.	5.47%	
Aon PLC	4.94%	
Amazon.com Inc.	4.94%	
Roper Technologies Inc.	4.47%	
U.S. Equity Index Fund (GWLIM) SF512	1,930	4,600
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
U.S. Value Fund S-178LL	1,079	2,300
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	53,055	77,303

Core Balanced Fund SF801

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	594,314	587,657	544,379	461,125	387,733	12,527	11,143	9,576	9,019	6,864
75/100 guarantee policy	1,839,811	2,002,184	2,030,164	1,977,694	1,904,743	38,426	37,640	35,425	38,388	33,485
100/100 guarantee policy	80,524	75,689	68,204	60,094	44,964	1,642	1,392	1,166	1,145	777
PS1 75/75 guarantee policy	247,809	213,401	174,601	133,578	57,482	5,093	3,922	2,960	2,503	969
PS1 75/100 guarantee policy	734,279	681,474	678,581	386,031	236,451	14,994	12,451	11,441	7,197	3,969
PS1 100/100 guarantee policy	38,995	41,553	89,953	25,634	24,241	780	745	1,490	470	401
PS2 75/100 guarantee policy	31,218	34,459	37,669	35,058	35,995	840	812	801	806	729
PS 75/75 guarantee policy	16,574	19,920	15,223	10,079	9,612	233	249	174	127	108
PS 75/100 guarantee policy	44,258	46,165	45,005	6,921	2,749	619	575	514	87	31
PPS 75/75 guarantee policy	33,634	40,179	30,956	225	—	491	519	365	3	—
PPS 75/100 guarantee policy	69,372	74,713	26,631	20,014	16,422	1,008	960	313	257	188
PPS 100/100 guarantee policy	45,208	45,626	46,043	—	—	650	581	536	—	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	21.08	18.96	17.59	19.56	17.70	2.12	1.37
75/100 guarantee policy	20.89	18.80	17.45	19.41	17.58	2.09	1.35
100/100 guarantee policy	20.40	18.39	17.09	19.04	17.27	2.01	1.30
PS1 75/75 guarantee policy	20.55	18.38	16.95	18.74	16.86	2.17	1.43
PS1 75/100 guarantee policy	20.42	18.27	16.86	18.64	16.79	2.15	1.41
PS1 100/100 guarantee policy	20.00	17.92	16.57	18.35	16.55	2.08	1.35
PS2 75/100 guarantee policy	26.91	23.55	21.26	23.00	20.26	3.36	2.29
PS 75/75 guarantee policy	14.03	12.48	11.46	12.60	11.28	1.55	1.02
PS 75/100 guarantee policy	13.98	12.45	11.43	12.57	11.26	1.53	1.02
PPS 75/75 guarantee policy	14.60	12.91	11.78	12.86	—	1.69	1.13
PPS 75/100 guarantee policy	14.53	12.85	11.73	12.83	11.43	1.68	1.12
PPS 100/100 guarantee policy	14.37	12.74	11.65	—	—	1.63	1.09

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Core Balanced Fund SF801 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Core Balanced Fund SF801

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Core Balanced Fund SF801

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.76	2.73	2.72	2.71	2.71
75/100 guarantee policy	2.81	2.78	2.77	2.77	2.77
100/100 guarantee policy	2.97	2.94	2.92	2.92	2.92
PS1 75/75 guarantee policy	2.16	2.14	2.13	2.12	2.12
PS1 75/100 guarantee policy	2.22	2.20	2.18	2.18	2.18
PS1 100/100 guarantee policy	2.38	2.36	2.36	2.35	2.34
PS 75/75 guarantee policy	1.65	1.63	1.62	1.62	1.61
PS 75/100 guarantee policy	1.70	1.69	1.68	1.67	1.66
PPS 75/75 guarantee policy	1.05	1.04	1.04	1.03	—
PPS 75/100 guarantee policy	1.11	1.10	1.09	1.09	1.09
PPS 100/100 guarantee policy	1.28	1.26	1.24	—	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.95	10.90	7.92	6.78	20.39

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE BALANCED GROWTH PLUS FUND SF802

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Balanced Growth Plus Fund SF802 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Balanced Growth Plus Fund SF802

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	128,616	118,908
Total investments	128,616	118,908
Total assets	\$ 128,616	\$ 118,908
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 128,616	\$ 118,908

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 17,870	\$ 12,317
Miscellaneous income (loss)	—	—
Total income (loss)	17,870	12,317
Expenses		
Management fees (note 8)	3,032	2,795
Other	337	311
Total expenses	3,369	3,106
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 14,501	\$ 9,211

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 118,908	\$ 108,896
Contractholder deposits	12,045	14,399
Contractholder withdrawals	(16,838)	(13,598)
Increase (decrease) in net assets from operations attributable to contractholders	14,501	9,211
Change in net assets attributable to contractholders	9,708	10,012
Net assets attributable to contractholders - end of year	\$ 128,616	\$ 118,908

Core Balanced Growth Plus Fund SF802

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 14,501	\$ 9,211
Adjustments		
Realized (gains) losses	(6,054)	(3,713)
Unrealized (gains) losses	(11,816)	(8,604)
Gross proceeds of disposition of investments	14,920	12,551
Gross payments for the purchase of investments	(6,758)	(10,246)
	<u>4,793</u>	<u>(801)</u>
Financing Activities		
Contractholder deposits	12,045	14,399
Contractholder withdrawals	(16,838)	(13,598)
	<u>(4,793)</u>	<u>801</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Core Balanced Growth Plus Fund SF802

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund (Laketon) SF009	7,029	13,469
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.03%	
Constellation Software Inc.	5.11%	
Shopify Inc.	4.71%	
Canadian Natural Resources Ltd.	3.77%	
Brookfield Corp.	3.70%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	6,867	13,454
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Dividend Fund S-189LL	14,449	27,040
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.85%	
The Toronto-Dominion Bank	5.59%	
Bank of Montreal	5.19%	
Sun Life Financial Inc.	4.15%	
Enbridge Inc.	4.03%	
Fixed Income Fund (Laketon) SF019	34,402	38,854
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Equity Fund SF034	4,348	8,959
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.71%	
Berkshire Hathaway Inc. Class B	4.59%	
Microsoft Corp.	4.43%	
Oracle Corp.	4.04%	
Booking Holdings Inc.	3.81%	

Core Balanced Growth Plus Fund SF802

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Fund (P) SF529	5,976	8,962
<i>Top 5 Holdings:</i>	<i>% of Total</i>	
AstraZeneca PLC	3.09%	
London Stock Exchange Group PLC	3.03%	
Compass Group PLC	2.89%	
Linde PLC	2.78%	
Mitsubishi UFJ Financial Group Inc.	2.67%	
U.S. Equity Fund (GWLIM) SF517	2,138	4,461
<i>Top 5 Holdings:</i>	<i>% of Total</i>	
Apple Inc.	5.54%	
Microsoft Corp.	5.47%	
Aon PLC	4.94%	
Amazon.com Inc.	4.94%	
Roper Technologies Inc.	4.47%	
U.S. Equity Index Fund (GWLIM) SF512	3,303	8,937
<i>Top 5 Holdings:</i>	<i>% of Total</i>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
U.S. Value Fund S-178LL	1,932	4,480
<i>Top 5 Holdings:</i>	<i>% of Total</i>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	80,444	128,616

Core Balanced Growth Plus Fund SF802

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	648,615	676,472	692,811	652,274	580,540	14,780	13,712	12,968	13,510	10,635
75/100 guarantee policy	3,114,783	3,304,628	3,420,875	3,405,042	3,274,363	70,324	66,405	63,512	69,993	59,563
100/100 guarantee policy	117,095	153,644	164,178	183,425	177,915	2,593	3,033	2,999	3,715	3,194
PS1 75/75 guarantee policy	194,643	171,146	182,979	153,109	54,860	4,356	3,387	3,324	3,059	964
PS1 75/100 guarantee policy	1,301,766	1,348,758	1,146,679	835,611	440,515	28,967	26,552	20,733	16,629	7,712
PS1 100/100 guarantee policy	239,704	217,772	225,480	151,352	156,870	5,256	4,232	4,031	2,983	2,724
PS2 75/75 guarantee policy	6,955	3,633	4,679	10,664	13,874	207	94	108	265	296
PS2 75/100 guarantee policy	25,928	13,182	8,810	4,695	1,447	773	339	204	117	31
PS 75/75 guarantee policy	13,668	17,219	14,500	14,917	10,259	199	220	169	191	115
PS 75/100 guarantee policy	73,145	66,794	66,145	53,429	8,471	1,061	853	771	682	95
PPS 75/75 guarantee policy	6,393	6,142	6,400	6,901	3,695	97	81	77	90	42
PPS 75/100 guarantee policy	224	—	—	6,514	—	3	—	—	85	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	22.79	20.27	18.72	20.71	18.32	2.52	1.55
75/100 guarantee policy	22.58	20.09	18.57	20.56	18.19	2.49	1.52
100/100 guarantee policy	22.14	19.74	18.27	20.25	17.95	2.40	1.47
PS1 75/75 guarantee policy	22.38	19.79	18.17	19.98	17.57	2.59	1.62
PS1 75/100 guarantee policy	22.25	19.69	18.08	19.90	17.51	2.56	1.61
PS1 100/100 guarantee policy	21.93	19.43	17.88	19.71	17.37	2.50	1.55
PS2 75/75 guarantee policy	29.81	25.76	23.12	24.86	21.36	4.05	2.64
PS2 75/100 guarantee policy	29.81	25.76	23.12	24.86	21.36	4.05	2.64
PS 75/75 guarantee policy	14.56	12.80	11.69	12.80	11.19	1.76	1.11
PS 75/100 guarantee policy	14.50	12.76	11.66	12.77	11.18	1.74	1.10
PPS 75/75 guarantee policy	15.13	13.23	12.01	13.06	11.36	1.90	1.22
PPS 75/100 guarantee policy	15.12	—	—	13.04	—	1.89	—

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Core Balanced Growth Plus Fund SF802 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Core Balanced Growth Plus Fund SF802

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Core Balanced Growth Plus Fund SF802

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.89	2.87	2.87	2.86	2.86
75/100 guarantee policy	2.94	2.92	2.92	2.92	2.92
100/100 guarantee policy	3.10	3.08	3.08	3.07	3.08
PS1 75/75 guarantee policy	2.29	2.27	2.27	2.26	2.27
PS1 75/100 guarantee policy	2.35	2.33	2.32	2.32	2.32
PS1 100/100 guarantee policy	2.51	2.49	2.49	2.49	2.49
PS 75/75 guarantee policy	1.77	1.76	1.76	1.75	1.74
PS 75/100 guarantee policy	1.83	1.81	1.81	1.80	1.79
PPS 75/75 guarantee policy	1.17	1.16	1.17	1.16	1.16
PPS 75/100 guarantee policy	1.20	—	—	1.21	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.50	9.02	8.73	6.90	9.89

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE CONSERVATIVE GROWTH FUND SF803

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Conservative Growth Fund SF803 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Conservative Growth Fund SF803

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	69,870	72,298
Total investments	69,870	72,298
Total assets	\$ 69,870	\$ 72,298
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 69,870	\$ 72,298

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,482	\$ 6,207
Miscellaneous income (loss)	—	—
Total income (loss)	6,482	6,207
Expenses		
Management fees (note 8)	1,406	1,508
Other	145	154
Total expenses	1,551	1,662
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,931	\$ 4,545

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 72,298	\$ 76,569
Contractholder deposits	6,241	4,237
Contractholder withdrawals	(13,600)	(13,053)
Increase (decrease) in net assets from operations attributable to contractholders	4,931	4,545
Change in net assets attributable to contractholders	(2,428)	(4,271)
Net assets attributable to contractholders - end of year	\$ 69,870	\$ 72,298

Core Conservative Growth Fund SF803

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,931	\$ 4,545
Adjustments		
Realized (gains) losses	(2,425)	(1,319)
Unrealized (gains) losses	(4,057)	(4,888)
Gross proceeds of disposition of investments	13,476	14,581
Gross payments for the purchase of investments	(4,566)	(4,103)
	<u>7,359</u>	<u>8,816</u>
Financing Activities		
Contractholder deposits	6,241	4,237
Contractholder withdrawals	(13,600)	(13,053)
	<u>(7,359)</u>	<u>(8,816)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Core Conservative Growth Fund SF803

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units		
Canadian Equity Fund (Laketon) SF009	2,037	3,136
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.03%	
Constellation Software Inc.	5.11%	
Shopify Inc.	4.71%	
Canadian Natural Resources Ltd.	3.77%	
Brookfield Corp.	3.70%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	1,964	3,138
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Dividend Fund S-189LL	4,039	6,293
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.85%	
The Toronto-Dominion Bank	5.59%	
Bank of Montreal	5.19%	
Sun Life Financial Inc.	4.15%	
Enbridge Inc.	4.03%	
Fixed Income Fund (Laketon) SF019	45,329	49,014
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Equity Fund SF034	1,319	2,074
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.71%	
Berkshire Hathaway Inc. Class B	4.59%	
Microsoft Corp.	4.43%	
Oracle Corp.	4.04%	
Booking Holdings Inc.	3.81%	

Core Conservative Growth Fund SF803

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Fund (P) SF529	1,525	2,079
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
AstraZeneca PLC	3.09%	
London Stock Exchange Group PLC	3.03%	
Compass Group PLC	2.89%	
Linde PLC	2.78%	
Mitsubishi UFJ Financial Group Inc.	2.67%	
U.S. Equity Fund (GWLIM) SF517	660	1,031
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.54%	
Microsoft Corp.	5.47%	
Aon PLC	4.94%	
Amazon.com Inc.	4.94%	
Roper Technologies Inc.	4.47%	
U.S. Equity Index Fund (GWLIM) SF512	1,094	2,067
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
U.S. Value Fund S-178LL	578	1,038
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	58,545	69,870

Core Conservative Growth Fund SF803

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,047,134	1,293,486	1,498,203	1,749,190	1,458,313	16,715	19,240	20,976	27,672	22,436
75/100 guarantee policy	1,640,453	1,875,116	2,062,109	2,262,611	1,846,758	25,940	27,645	28,631	35,518	28,208
100/100 guarantee policy	93,642	102,255	105,107	125,479	95,547	1,449	1,477	1,432	1,935	1,436
PS1 75/75 guarantee policy	520,695	501,112	590,255	493,367	260,383	7,886	7,041	7,771	7,306	3,733
PS1 75/100 guarantee policy	819,582	802,528	894,151	927,415	519,521	12,332	11,208	11,708	13,668	7,417
PS1 100/100 guarantee policy	100,276	83,303	88,983	78,716	88,340	1,477	1,141	1,145	1,142	1,243
PS2 75/75 guarantee policy	9,069	8,593	22,876	29,634	4,154	177	152	372	531	71
PS2 75/100 guarantee policy	79,999	107,638	135,680	153,536	107,783	1,559	1,908	2,209	2,757	1,837
PS2 100/100 guarantee policy	4,035	6,126	—	—	8,897	78	108	—	—	151
PS 75/75 guarantee policy	50,906	68,990	71,908	51,492	37,078	628	785	761	609	422
PS 75/100 guarantee policy	90,582	91,709	94,819	80,071	39,954	1,114	1,040	1,002	946	454
PPS 75/75 guarantee policy	923	771	4,786	6,730	71,997	12	9	52	81	828
PPS 75/100 guarantee policy	39,723	46,762	47,327	44,258	11,200	503	544	510	531	129
PPS 100/100 guarantee policy	—	—	—	5,419	—	—	—	—	65	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	15.96	14.87	14.00	15.82	15.38	1.09	0.87
75/100 guarantee policy	15.81	14.74	13.88	15.70	15.27	1.07	0.86
100/100 guarantee policy	15.47	14.44	13.62	15.42	15.03	1.03	0.82
PS1 75/75 guarantee policy	15.14	14.05	13.17	14.81	14.34	1.09	0.88
PS1 75/100 guarantee policy	15.05	13.97	13.09	14.74	14.28	1.08	0.88
PS1 100/100 guarantee policy	14.73	13.70	12.86	14.50	14.07	1.03	0.84
PS2 75/75 guarantee policy	19.46	17.70	16.26	17.93	17.02	1.76	1.44
PS2 75/100 guarantee policy	19.49	17.72	16.28	17.96	17.04	1.77	1.44
PS2 100/100 guarantee policy	19.45	17.68	—	—	17.00	1.77	1.43
PS 75/75 guarantee policy	12.34	11.38	10.59	11.83	11.38	0.96	0.79
PS 75/100 guarantee policy	12.30	11.34	10.56	11.81	11.37	0.96	0.78
PPS 75/75 guarantee policy	12.71	11.66	10.80	12.02	11.51	1.05	0.86
PPS 75/100 guarantee policy	12.66	11.62	10.78	12.00	11.49	1.04	0.84
PPS 100/100 guarantee policy	—	—	—	11.93	—	—	—

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Core Conservative Growth Fund SF803 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Core Conservative Growth Fund SF803

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Core Conservative Growth Fund SF803

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.45	2.42	2.45	2.43	2.41
75/100 guarantee policy	2.50	2.48	2.50	2.49	2.46
100/100 guarantee policy	2.65	2.62	2.65	2.63	2.61
PS1 75/75 guarantee policy	2.00	1.98	1.99	1.98	1.95
PS1 75/100 guarantee policy	2.05	2.03	2.05	2.04	2.02
PS1 100/100 guarantee policy	2.22	2.20	2.21	2.21	2.19
PS 75/75 guarantee policy	1.34	1.33	1.33	1.33	1.31
PS 75/100 guarantee policy	1.39	1.38	1.39	1.38	1.37
PPS 75/75 guarantee policy	0.88	0.88	0.89	0.88	0.87
PPS 75/100 guarantee policy	0.94	0.93	0.94	0.93	0.92

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	6.59	5.49	12.37	11.98	9.91

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE MODERATE FUND SF804

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Moderate Fund SF804 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Moderate Fund SF804

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	61,751	56,307
Total investments	61,751	56,307
Total assets	\$ 61,751	\$ 56,307
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 61,751	\$ 56,307

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 6,344	\$ 4,888
Miscellaneous income (loss)	—	—
Total income (loss)	6,344	4,888
Expenses		
Management fees (note 8)	1,218	1,136
Other	142	129
Total expenses	1,360	1,265
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,984	\$ 3,623

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 56,307	\$ 51,581
Contractholder deposits	8,573	10,002
Contractholder withdrawals	(8,113)	(8,899)
Increase (decrease) in net assets from operations attributable to contractholders	4,984	3,623
Change in net assets attributable to contractholders	5,444	4,726
Net assets attributable to contractholders - end of year	\$ 61,751	\$ 56,307

Core Moderate Fund SF804

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,984	\$ 3,623
Adjustments		
Realized (gains) losses	(1,707)	(733)
Unrealized (gains) losses	(4,637)	(4,155)
Gross proceeds of disposition of investments	7,492	8,032
Gross payments for the purchase of investments	(6,592)	(7,870)
	(460)	(1,103)
Financing Activities		
Contractholder deposits	8,573	10,002
Contractholder withdrawals	(8,113)	(8,899)
	460	1,103
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Core Moderate Fund SF804

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund (Laketon) SF009	2,569	3,695
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.03%	
Constellation Software Inc.	5.11%	
Shopify Inc.	4.71%	
Canadian Natural Resources Ltd.	3.77%	
Brookfield Corp.	3.70%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	2,492	3,697
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Dividend Fund S-189LL	5,072	7,410
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.85%	
The Toronto-Dominion Bank	5.59%	
Bank of Montreal	5.19%	
Sun Life Financial Inc.	4.15%	
Enbridge Inc.	4.03%	
Fixed Income Fund (Laketon) SF019	34,751	37,153
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Equity Fund SF034	1,631	2,448
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.71%	
Berkshire Hathaway Inc. Class B	4.59%	
Microsoft Corp.	4.43%	
Oracle Corp.	4.04%	
Booking Holdings Inc.	3.81%	

Core Moderate Fund SF804

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Fund (P) SF529	1,866	2,457
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
AstraZeneca PLC	3.09%	
London Stock Exchange Group PLC	3.03%	
Compass Group PLC	2.89%	
Linde PLC	2.78%	
Mitsubishi UFJ Financial Group Inc.	2.67%	
U.S. Equity Fund (GWLIM) SF517	810	1,219
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.54%	
Microsoft Corp.	5.47%	
Aon PLC	4.94%	
Amazon.com Inc.	4.94%	
Roper Technologies Inc.	4.47%	
U.S. Equity Index Fund (GWLIM) SF512	1,376	2,449
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
U.S. Value Fund S-178LL	698	1,223
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	51,265	61,751

Core Moderate Fund SF804

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	982,809	974,487	946,126	1,182,861	607,444	17,240	15,744	14,320	20,107	9,803
75/100 guarantee policy	972,035	939,738	937,930	934,414	798,594	16,902	15,059	14,087	15,771	12,803
100/100 guarantee policy	52,397	58,264	58,046	56,509	59,560	889	913	853	935	938
PS1 75/75 guarantee policy	576,523	629,198	598,843	456,966	162,815	9,704	9,706	8,611	7,343	2,472
PS1 75/100 guarantee policy	783,083	741,535	724,128	739,275	373,107	13,094	11,369	10,355	11,821	5,639
PS1 100/100 guarantee policy	33,640	42,954	40,926	39,896	6,301	551	646	575	628	94
PS2 75/75 guarantee policy	4,337	4,605	1,512	1,535	—	94	90	27	30	—
PS2 75/100 guarantee policy	2,135	2,173	4,414	5,836	—	46	42	79	114	—
PS 75/75 guarantee policy	—	1,703	15,008	15,734	2,781	—	20	164	191	32
PS 75/100 guarantee policy	26,191	21,596	25,463	29,682	7,151	338	254	277	360	81
PPS 75/75 guarantee policy	188,554	170,193	172,036	—	—	2,521	2,062	1,922	—	—
PPS 75/100 guarantee policy	27,896	33,245	27,897	22,331	—	372	402	311	275	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	17.54	16.16	15.14	17.00	16.14	1.38	1.02
75/100 guarantee policy	17.39	16.02	15.02	16.88	16.03	1.37	1.00
100/100 guarantee policy	16.97	15.66	14.70	16.55	15.74	1.31	0.96
PS1 75/75 guarantee policy	16.83	15.43	14.38	16.07	15.18	1.40	1.05
PS1 75/100 guarantee policy	16.72	15.33	14.30	15.99	15.11	1.39	1.03
PS1 100/100 guarantee policy	16.37	15.03	14.04	15.73	14.89	1.34	0.99
PS2 75/75 guarantee policy	21.80	19.57	17.87	19.56	—	2.23	1.70
PS2 75/100 guarantee policy	21.80	19.57	17.87	19.57	—	2.23	1.70
PS 75/75 guarantee policy	—	11.79	10.92	12.13	11.39	—	0.87
PS 75/100 guarantee policy	12.90	11.76	10.90	12.11	11.38	1.14	0.86
PPS 75/75 guarantee policy	13.37	12.12	11.17	—	—	1.25	0.95
PPS 75/100 guarantee policy	13.32	12.08	11.14	12.32	—	1.24	0.94

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Core Moderate Fund SF804 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Core Moderate Fund SF804

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Core Moderate Fund SF804

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.58	2.55	2.56	2.53	2.52
75/100 guarantee policy	2.63	2.61	2.61	2.60	2.57
100/100 guarantee policy	2.79	2.76	2.76	2.76	2.73
PS1 75/75 guarantee policy	2.08	2.05	2.05	2.04	2.03
PS1 75/100 guarantee policy	2.13	2.11	2.11	2.10	2.08
PS1 100/100 guarantee policy	2.30	2.28	2.28	2.27	2.23
PS 75/75 guarantee policy	—	1.44	1.44	1.42	1.42
PS 75/100 guarantee policy	1.51	1.49	1.50	1.48	1.48
PPS 75/75 guarantee policy	0.95	0.94	0.95	—	—
PPS 75/100 guarantee policy	1.01	1.00	1.00	0.99	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	11.30	14.34	17.99	8.75	21.12

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORE MODERATE GROWTH PLUS FUND SF805

December 31, 2024

Independent Auditor's Report

To the Contractholders of Core Moderate Growth Plus Fund SF805 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Core Moderate Growth Plus Fund SF805

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	47,055	42,645
Total investments	47,055	42,645
Total assets	\$ 47,055	\$ 42,645
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 47,055	\$ 42,645

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,354	\$ 4,039
Miscellaneous income (loss)	—	—
Total income (loss)	5,354	4,039
Expenses		
Management fees (note 8)	971	895
Other	113	103
Total expenses	1,084	998
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,270	\$ 3,041

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 42,645	\$ 40,713
Contractholder deposits	6,303	4,971
Contractholder withdrawals	(6,163)	(6,080)
Increase (decrease) in net assets from operations attributable to contractholders	4,270	3,041
Change in net assets attributable to contractholders	4,410	1,932
Net assets attributable to contractholders - end of year	\$ 47,055	\$ 42,645

Core Moderate Growth Plus Fund SF805

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,270	\$ 3,041
Adjustments		
Realized (gains) losses	(1,412)	(879)
Unrealized (gains) losses	(3,942)	(3,160)
Gross proceeds of disposition of investments	5,523	6,498
Gross payments for the purchase of investments	(4,579)	(4,391)
	(140)	1,109
Financing Activities		
Contractholder deposits	6,303	4,971
Contractholder withdrawals	(6,163)	(6,080)
	140	(1,109)
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Core Moderate Growth Plus Fund SF805

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund (Laketon) SF009	2,325	3,527
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.03%	
Constellation Software Inc.	5.11%	
Shopify Inc.	4.71%	
Canadian Natural Resources Ltd.	3.77%	
Brookfield Corp.	3.70%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	2,257	3,528
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Dividend Fund S-189LL	4,640	7,079
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.85%	
The Toronto-Dominion Bank	5.59%	
Bank of Montreal	5.19%	
Sun Life Financial Inc.	4.15%	
Enbridge Inc.	4.03%	
Fixed Income Fund (Laketon) SF019	21,856	23,558
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	4.20%	
Province of Ontario 4.15% 06-02-2034	3.92%	
Government of Canada 3.25% 12-01-2034	3.80%	
Government of Canada 3.00% 06-01-2034	3.55%	
Province of Quebec 4.40% 12-01-2055	3.27%	
Global Equity Fund SF034	1,495	2,342
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.71%	
Berkshire Hathaway Inc. Class B	4.59%	
Microsoft Corp.	4.43%	
Oracle Corp.	4.04%	
Booking Holdings Inc.	3.81%	

Core Moderate Growth Plus Fund SF805

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Fund (P) SF529	1,730	2,345
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
AstraZeneca PLC	3.09%	
London Stock Exchange Group PLC	3.03%	
Compass Group PLC	2.89%	
Linde PLC	2.78%	
Mitsubishi UFJ Financial Group Inc.	2.67%	
U.S. Equity Fund (GWLIM) SF517	737	1,167
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.54%	
Microsoft Corp.	5.47%	
Aon PLC	4.94%	
Amazon.com Inc.	4.94%	
Roper Technologies Inc.	4.47%	
U.S. Equity Index Fund (GWLIM) SF512	1,238	2,337
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
U.S. Value Fund S-178LL	636	1,172
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.86%	
Microsoft Corp.	5.85%	
Amazon.com Inc.	3.05%	
UnitedHealth Group Inc.	2.31%	
JPMorgan Chase & Co.	2.13%	
Total Investments	36,914	47,055

Core Moderate Growth Plus Fund SF805

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	300,594	298,736	320,035	297,610	201,509	5,765	5,217	5,211	5,417	3,402
75/100 guarantee policy	1,121,327	1,131,504	1,216,144	1,077,860	875,864	21,315	19,597	19,649	19,477	14,689
100/100 guarantee policy	30,728	49,931	55,077	69,523	45,462	570	845	871	1,231	748
PS1 75/75 guarantee policy	222,130	213,677	224,900	254,029	137,770	4,127	3,595	3,508	4,405	2,205
PS1 75/100 guarantee policy	693,551	650,554	547,462	459,440	177,496	12,819	10,895	8,506	7,940	2,831
PS1 100/100 guarantee policy	18,365	12,957	11,101	12,906	6,047	332	212	169	219	95
PS2 75/75 guarantee policy	12,367	13,687	15,227	4,944	4,412	299	294	297	105	85
PS2 75/100 guarantee policy	26,737	29,184	59,298	36,111	10,136	648	627	1,156	766	194
PS 75/75 guarantee policy	249	452	427	420	1,124	3	5	5	5	13
PS 75/100 guarantee policy	72,867	91,091	82,061	43,294	4,298	977	1,100	914	534	49
PPS 75/75 guarantee policy	9,874	14,526	25,373	35,813	2,998	138	181	290	451	34
PPS 75/100 guarantee policy	4,465	6,161	12,010	14,231	686	62	77	137	179	8

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	19.18	17.46	16.28	18.20	16.88	1.72	1.18
75/100 guarantee policy	19.01	17.32	16.16	18.07	16.77	1.69	1.16
100/100 guarantee policy	18.54	16.92	15.81	17.71	16.46	1.62	1.11
PS1 75/75 guarantee policy	18.58	16.82	15.60	17.34	16.00	1.76	1.22
PS1 75/100 guarantee policy	18.48	16.75	15.54	17.28	15.95	1.73	1.21
PS1 100/100 guarantee policy	18.06	16.39	15.23	16.97	15.69	1.67	1.16
PS2 75/75 guarantee policy	24.23	21.48	19.50	21.22	19.17	2.75	1.98
PS2 75/100 guarantee policy	24.23	21.47	19.50	21.22	19.17	2.76	1.97
PS 75/75 guarantee policy	13.47	12.12	11.17	12.35	11.33	1.35	0.95
PS 75/100 guarantee policy	13.41	12.08	11.14	12.32	11.31	1.33	0.94
PPS 75/75 guarantee policy	13.94	12.49	11.45	12.59	11.48	1.45	1.04
PPS 75/100 guarantee policy	13.90	12.45	11.42	12.56	11.47	1.45	1.03

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Core Moderate Growth Plus Fund SF805 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Core Moderate Growth Plus Fund SF805

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Core Moderate Growth Plus Fund SF805

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.69	2.66	2.66	2.65	2.63
75/100 guarantee policy	2.75	2.72	2.72	2.71	2.69
100/100 guarantee policy	2.90	2.88	2.88	2.86	2.84
PS1 75/75 guarantee policy	2.13	2.11	2.12	2.10	2.09
PS1 75/100 guarantee policy	2.19	2.17	2.17	2.15	2.14
PS1 100/100 guarantee policy	2.36	2.34	2.34	2.32	2.29
PS 75/75 guarantee policy	1.56	1.54	1.54	1.56	1.54
PS 75/100 guarantee policy	1.62	1.61	1.60	1.59	1.59
PPS 75/75 guarantee policy	1.01	1.00	1.00	0.99	0.97
PPS 75/100 guarantee policy	1.07	1.06	1.06	1.04	1.04

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	10.32	10.53	14.83	5.91	14.57

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (FIDELITY) SF806

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (Fidelity) SF806 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (Fidelity) SF806

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	58,227	59,135
Total investments	58,227	59,135
Total assets	\$ 58,227	\$ 59,135
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 58,227	\$ 59,135

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 9,571	\$ 7,151
Miscellaneous income (loss)	—	—
Total income (loss)	9,571	7,151
Expenses		
Management fees (note 8)	1,588	1,620
Other	159	161
Total expenses	1,747	1,781
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 7,824	\$ 5,370

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 59,135	\$ 62,474
Contractholder deposits	174	548
Contractholder withdrawals	(8,906)	(9,257)
Increase (decrease) in net assets from operations attributable to contractholders	7,824	5,370
Change in net assets attributable to contractholders	(908)	(3,339)
Net assets attributable to contractholders - end of year	\$ 58,227	\$ 59,135

Balanced Fund (Fidelity) SF806

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 7,824	\$ 5,370
Adjustments		
Realized (gains) losses	(6,504)	(5,100)
Unrealized (gains) losses	(3,067)	(2,051)
Gross proceeds of disposition of investments	10,608	10,896
Gross payments for the purchase of investments	(129)	(406)
	<u>8,732</u>	<u>8,709</u>
Financing Activities		
Contractholder deposits	174	548
Contractholder withdrawals	(8,906)	(9,257)
	<u>(8,732)</u>	<u>(8,709)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Balanced Fund (Fidelity) SF806

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Bond Fund (Fidelity) SF502	17,743	23,424
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	4.15%	
Government of Canada 2.75% 06-01-2033	3.14%	
Province of Ontario 2.60% 06-02-2027	2.42%	
Province of Ontario 3.75% 06-02-2032	2.35%	
Government of Canada 3.50% 03-01-2028	2.20%	
Canadian Disciplined Equity Fund (Fidelity) SF505	5,210	15,707
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.72%	
The Toronto-Dominion Bank	7.30%	
Constellation Software Inc.	4.06%	
Agnico Eagle Mines Ltd.	3.97%	
Shopify Inc.	3.85%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	2,021	5,242
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Disciplined Equity Fund (Fidelity) SF506	2,751	10,395
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.83%	
NVIDIA Corp.	5.37%	
Amazon.com Inc.	3.28%	
Microsoft Corp.	3.06%	
Alphabet Inc. Class C	2.60%	
U.S. Equity Index Fund (GWLIM) SF512	747	3,459
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	28,472	58,227

Balanced Fund (Fidelity) SF806

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	329,316	397,121	437,273	468,090	524,517	7,130	7,540	7,602	9,227	9,428
75/100 guarantee policy	1,834,099	2,167,341	2,497,125	2,840,418	3,233,979	39,403	40,853	43,123	55,646	57,808
100/100 guarantee policy	92,479	112,413	124,339	140,994	158,496	1,943	2,075	2,106	2,714	2,788
PS1 75/75 guarantee policy	40,322	36,428	74,780	101,260	92,014	884	697	1,302	1,987	1,637
PS1 75/100 guarantee policy	372,020	373,731	435,450	473,247	507,527	8,105	7,102	7,538	9,240	8,989
PS1 100/100 guarantee policy	22,037	22,686	23,006	23,431	25,206	470	423	391	450	440
PS2 75/100 guarantee policy	9,787	17,258	17,583	18,119	17,417	292	437	396	449	382
PS2 100/100 guarantee policy	—	301	692	1,103	1,838	—	8	16	27	41

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	21.65	18.99	17.38	19.71	17.98	2.66	1.61
75/100 guarantee policy	21.48	18.85	17.27	19.59	17.88	2.63	1.58
100/100 guarantee policy	21.01	18.46	16.94	19.24	17.59	2.55	1.52
PS1 75/75 guarantee policy	21.94	19.12	17.41	19.63	17.79	2.82	1.71
PS1 75/100 guarantee policy	21.79	19.00	17.31	19.52	17.71	2.79	1.69
PS1 100/100 guarantee policy	21.33	18.64	17.01	19.22	17.46	2.69	1.63
PS2 75/100 guarantee policy	29.78	25.34	22.52	24.78	21.93	4.44	2.82
PS2 100/100 guarantee policy	—	25.38	22.56	24.82	21.97	—	2.82

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Fund (Fidelity) SF806 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Fund (Fidelity) SF806

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Fund (Fidelity) SF806

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.01	2.99	2.99	3.00	3.00
75/100 guarantee policy	3.07	3.04	3.05	3.05	3.05
100/100 guarantee policy	3.23	3.20	3.20	3.21	3.21
PS1 75/75 guarantee policy	2.43	2.41	2.42	2.42	2.42
PS1 75/100 guarantee policy	2.49	2.47	2.47	2.47	2.47
PS1 100/100 guarantee policy	2.65	2.63	2.63	2.64	2.64

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.21	0.66	0.21	0.69	9.38

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE GROWTH PLUS FUND (FIDELITY)
SF807

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Growth Plus Fund (Fidelity) SF807 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Growth Plus Fund (Fidelity) SF807

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	17,160	17,813
Total investments	17,160	17,813
Total assets	\$ 17,160	\$ 17,813
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 17,160	\$ 17,813

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,468	\$ 2,003
Miscellaneous income (loss)	—	—
Total income (loss)	2,468	2,003
Expenses		
Management fees (note 8)	453	476
Other	48	51
Total expenses	501	527
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,967	\$ 1,476

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 17,813	\$ 19,199
Contractholder deposits	70	51
Contractholder withdrawals	(2,690)	(2,913)
Increase (decrease) in net assets from operations attributable to contractholders	1,967	1,476
Change in net assets attributable to contractholders	(653)	(1,386)
Net assets attributable to contractholders - end of year	\$ 17,160	\$ 17,813

Moderate Growth Plus Fund (Fidelity) SF807

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,967	\$ 1,476
Adjustments		
Realized (gains) losses	(1,708)	(1,386)
Unrealized (gains) losses	(760)	(617)
Gross proceeds of disposition of investments	3,127	3,418
Gross payments for the purchase of investments	(6)	(29)
	<u>2,620</u>	<u>2,862</u>
Financing Activities		
Contractholder deposits	70	51
Contractholder withdrawals	(2,690)	(2,913)
	<u>(2,620)</u>	<u>(2,862)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Moderate Growth Plus Fund (Fidelity) SF807

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Bond Fund (Fidelity) SF502	6,482	8,654
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	4.15%	
Government of Canada 2.75% 06-01-2033	3.14%	
Province of Ontario 2.60% 06-02-2027	2.42%	
Province of Ontario 3.75% 06-02-2032	2.35%	
Government of Canada 3.50% 03-01-2028	2.20%	
Canadian Disciplined Equity Fund (Fidelity) SF505	1,346	3,817
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.72%	
The Toronto-Dominion Bank	7.30%	
Constellation Software Inc.	4.06%	
Agnico Eagle Mines Ltd.	3.97%	
Shopify Inc.	3.85%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	512	1,274
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Disciplined Equity Fund (Fidelity) SF506	751	2,560
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.83%	
NVIDIA Corp.	5.37%	
Amazon.com Inc.	3.28%	
Microsoft Corp.	3.06%	
Alphabet Inc. Class C	2.60%	
U.S. Equity Index Fund (GWLIM) SF512	210	855
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	9,301	17,160

Moderate Growth Plus Fund (Fidelity) SF807

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	97,897	121,382	143,990	159,847	184,805	1,924	2,130	2,330	2,941	3,170
75/100 guarantee policy	664,527	750,491	852,462	972,296	1,058,702	12,952	13,067	13,693	17,768	18,049
100/100 guarantee policy	4,076	22,323	24,012	36,033	36,719	78	379	377	645	614
PS1 75/75 guarantee policy	3,418	3,573	29,399	37,943	41,045	67	63	472	688	690
PS1 75/100 guarantee policy	105,392	122,439	143,240	165,153	165,996	2,063	2,129	2,284	2,979	2,777
PS1 100/100 guarantee policy	2,026	597	597	597	—	39	10	9	11	—
PS 75/75 guarantee policy	2,621	2,802	3,004	3,242	3,292	37	35	34	42	39

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	19.65	17.55	16.18	18.40	17.16	2.10	1.37
75/100 guarantee policy	19.49	17.41	16.06	18.27	17.05	2.08	1.35
100/100 guarantee policy	19.00	17.00	15.71	17.90	16.73	2.00	1.29
PS1 75/75 guarantee policy	19.71	17.50	16.04	18.13	16.81	2.21	1.46
PS1 75/100 guarantee policy	19.58	17.39	15.95	18.04	16.73	2.19	1.44
PS1 100/100 guarantee policy	19.17	17.06	15.67	17.75	—	2.11	1.39
PS 75/75 guarantee policy	14.18	12.52	11.42	12.84	11.84	1.66	1.10

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Growth Plus Fund (Fidelity) SF807 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Growth Plus Fund (Fidelity) SF807

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Growth Plus Fund (Fidelity) SF807

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.93	2.91	2.91	2.92	2.92
75/100 guarantee policy	2.98	2.95	2.96	2.97	2.97
100/100 guarantee policy	3.14	3.12	3.13	3.13	3.13
PS1 75/75 guarantee policy	2.34	2.32	2.33	2.33	2.33
PS1 75/100 guarantee policy	2.39	2.37	2.38	2.38	2.38
PS1 100/100 guarantee policy	2.56	2.53	2.53	2.55	—
PS 75/75 guarantee policy	1.82	1.81	1.81	1.81	1.81

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.03	0.15	1.17	0.42	10.24

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE INCOME FUND (FIDELITY) SF808

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Income Fund (Fidelity) SF808 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Income Fund (Fidelity) SF808

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	12,612	14,346
Total investments	12,612	14,346
Total assets	\$ 12,612	\$ 14,346
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 12,612	\$ 14,346

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,486	\$ 1,436
Miscellaneous income (loss)	—	—
Total income (loss)	1,486	1,436
Expenses		
Management fees (note 8)	318	355
Other	34	37
Total expenses	352	392
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,134	\$ 1,044

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 14,346	\$ 15,377
Contractholder deposits	64	82
Contractholder withdrawals	(2,932)	(2,157)
Increase (decrease) in net assets from operations attributable to contractholders	1,134	1,044
Change in net assets attributable to contractholders	(1,734)	(1,031)
Net assets attributable to contractholders - end of year	\$ 12,612	\$ 14,346

Moderate Income Fund (Fidelity) SF808

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,134	\$ 1,044
Adjustments		
Realized (gains) losses	(1,284)	(748)
Unrealized (gains) losses	(202)	(688)
Gross proceeds of disposition of investments	3,260	2,511
Gross payments for the purchase of investments	(40)	(44)
	<u>2,868</u>	<u>2,075</u>
Financing Activities		
Contractholder deposits	64	82
Contractholder withdrawals	(2,932)	(2,157)
	<u>(2,868)</u>	<u>(2,075)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Moderate Income Fund (Fidelity) SF808

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Bond Fund (Fidelity) SF502	6,380	8,200
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	4.15%	
Government of Canada 2.75% 06-01-2033	3.14%	
Province of Ontario 2.60% 06-02-2027	2.42%	
Province of Ontario 3.75% 06-02-2032	2.35%	
Government of Canada 3.50% 03-01-2028	2.20%	
Canadian Disciplined Equity Fund (Fidelity) SF505	801	1,989
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.72%	
The Toronto-Dominion Bank	7.30%	
Constellation Software Inc.	4.06%	
Agnico Eagle Mines Ltd.	3.97%	
Shopify Inc.	3.85%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	288	663
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Disciplined Equity Fund (Fidelity) SF506	453	1,320
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.83%	
NVIDIA Corp.	5.37%	
Amazon.com Inc.	3.28%	
Microsoft Corp.	3.06%	
Alphabet Inc. Class C	2.60%	
U.S. Equity Index Fund (GWLIM) SF512	130	440
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	8,052	12,612

Moderate Income Fund (Fidelity) SF808

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	173,642	204,436	230,058	266,825	296,151	2,977	3,212	3,367	4,462	4,772
75/100 guarantee policy	384,362	470,821	557,571	639,560	766,761	6,525	7,327	8,088	10,607	12,262
100/100 guarantee policy	23,120	23,468	23,673	24,284	23,925	382	356	336	394	375
PS1 75/75 guarantee policy	30,919	26,650	47,569	35,759	38,412	521	409	676	577	595
PS1 75/100 guarantee policy	126,756	126,373	130,724	151,169	158,964	2,121	1,928	1,848	2,429	2,448
PS1 100/100 guarantee policy	5,230	74,492	76,491	80,250	82,142	86	1,114	1,062	1,269	1,247

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	17.14	15.71	14.63	16.72	16.11	1.43	1.08
75/100 guarantee policy	16.98	15.56	14.51	16.58	15.99	1.42	1.05
100/100 guarantee policy	16.54	15.18	14.18	16.23	15.68	1.36	1.00
PS1 75/75 guarantee policy	16.85	15.35	14.22	16.15	15.48	1.50	1.13
PS1 75/100 guarantee policy	16.74	15.25	14.14	16.07	15.40	1.49	1.11
PS1 100/100 guarantee policy	16.39	14.96	13.89	15.81	15.18	1.43	1.07

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Income Fund (Fidelity) SF808 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Income Fund (Fidelity) SF808

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Income Fund (Fidelity) SF808

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.75	2.73	2.74	2.73	2.73
75/100 guarantee policy	2.81	2.78	2.79	2.79	2.78
100/100 guarantee policy	2.96	2.94	2.95	2.94	2.94
PS1 75/75 guarantee policy	2.17	2.15	2.15	2.15	2.15
PS1 75/100 guarantee policy	2.22	2.20	2.21	2.21	2.20
PS1 100/100 guarantee policy	2.39	2.37	2.38	2.37	2.37

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.30	0.29	0.37	0.94	10.89

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED INCOME FUND (FRANKLIN
TEMPLETON) SF809

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Income Fund (Franklin Templeton) SF809 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Income Fund (Franklin Templeton) SF809

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	12,082	13,030
Total investments	12,082	13,030
Total assets	\$ 12,082	\$ 13,030
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 12,082	\$ 13,030

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,509	\$ 1,438
Miscellaneous income (loss)	—	—
Total income (loss)	1,509	1,438
Expenses		
Management fees (note 8)	328	341
Other	34	35
Total expenses	362	376
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,147	\$ 1,062

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 13,030	\$ 13,506
Contractholder deposits	32	50
Contractholder withdrawals	(2,127)	(1,588)
Increase (decrease) in net assets from operations attributable to contractholders	1,147	1,062
Change in net assets attributable to contractholders	(948)	(476)
Net assets attributable to contractholders - end of year	\$ 12,082	\$ 13,030

Balanced Income Fund (Franklin Templeton) SF809

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,147	\$ 1,062
Adjustments		
Realized (gains) losses	(1,240)	(738)
Unrealized (gains) losses	(269)	(700)
Gross proceeds of disposition of investments	2,550	1,918
Gross payments for the purchase of investments	(93)	(4)
	<u>2,095</u>	<u>1,538</u>
Financing Activities		
Contractholder deposits	32	50
Contractholder withdrawals	(2,127)	(1,588)
	<u>(2,095)</u>	<u>(1,538)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Balanced Income Fund (Franklin Templeton) SF809

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units		
Canadian Equity Fund (Bissett) SF103	1,178	2,999
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	5.27%	
The Toronto-Dominion Bank	5.07%	
Brookfield Corp.	4.24%	
Bank of Montreal	4.12%	
Canadian Pacific Kansas City Ltd.	3.84%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	403	991
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Fixed Income Fund (Templeton) SF516	4,137	5,472
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Housing Trust No. 1 1.10% 12-15-2026	2.97%	
Province of Ontario 2.70% 06-02-2029	2.22%	
Province of Ontario 2.90% 12-02-2046	2.21%	
CPPIB Capital Inc. 3.95% 06-02-2032	2.09%	
Province of Saskatchewan 5.60% 09-05-2035	2.06%	
Global Equity Fund (Templeton) SF509	877	1,969
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Microsoft Corp.	4.20%	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.81%	
Amazon.com Inc.	3.63%	
PNC Financial Services Group Inc.	3.33%	
Alphabet Inc. Class A	3.28%	
U.S. Equity Index Fund (GWLIM) SF512	161	651
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	6,756	12,082

Balanced Income Fund (Franklin Templeton) SF809

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	131,502	143,467	152,049	167,726	184,512	2,548	2,538	2,482	3,021	3,095
75/100 guarantee policy	386,000	480,361	521,619	651,714	864,057	7,409	8,423	8,443	11,648	14,388
100/100 guarantee policy	22,112	25,883	28,094	29,897	33,366	413	442	444	522	544
PS1 75/75 guarantee policy	5,662	3,968	15,988	15,094	17,475	108	69	253	263	282
PS1 75/100 guarantee policy	83,915	89,797	117,881	124,976	147,979	1,588	1,544	1,860	2,165	2,374
PS1 100/100 guarantee policy	839	839	1,543	1,636	1,740	16	14	24	28	27

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	19.38	17.69	16.32	18.01	16.77	1.69	1.37
75/100 guarantee policy	19.19	17.54	16.19	17.87	16.65	1.65	1.35
100/100 guarantee policy	18.67	17.09	15.80	17.47	16.31	1.58	1.29
PS1 75/75 guarantee policy	19.05	17.30	15.87	17.41	16.12	1.75	1.43
PS1 75/100 guarantee policy	18.93	17.19	15.78	17.32	16.05	1.74	1.41
PS1 100/100 guarantee policy	18.53	16.86	15.50	17.04	15.81	1.67	1.36

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Income Fund (Franklin Templeton) SF809 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Income Fund (Franklin Templeton) SF809

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Income Fund (Franklin Templeton) SF809

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.91	2.89	2.89	2.89	2.89
75/100 guarantee policy	2.97	2.95	2.95	2.95	2.94
100/100 guarantee policy	3.14	3.11	3.11	3.11	3.11
PS1 75/75 guarantee policy	2.33	2.31	2.31	2.31	2.31
PS1 75/100 guarantee policy	2.39	2.37	2.37	2.37	2.37
PS1 100/100 guarantee policy	2.56	2.53	2.53	2.53	2.53

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.73	0.02	0.69	0.52	5.54

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE GROWTH FUND (FRANKLIN
TEMPLETON) SF810

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Growth Fund (Franklin Templeton) SF810 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Growth Fund (Franklin Templeton) SF810

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	5,570	5,807
Total investments	5,570	5,807
Total assets	\$ 5,570	\$ 5,807
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 5,570	\$ 5,807

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 605	\$ 630
Miscellaneous income (loss)	—	—
Total income (loss)	605	630
Expenses		
Management fees (note 8)	142	150
Other	14	15
Total expenses	156	165
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 449	\$ 465

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 5,807	\$ 6,432
Contractholder deposits	5	5
Contractholder withdrawals	(691)	(1,095)
Increase (decrease) in net assets from operations attributable to contractholders	449	465
Change in net assets attributable to contractholders	(237)	(625)
Net assets attributable to contractholders - end of year	\$ 5,570	\$ 5,807

Moderate Growth Fund (Franklin Templeton) SF810

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 449	\$ 465
Adjustments		
Realized (gains) losses	(406)	(457)
Unrealized (gains) losses	(199)	(173)
Gross proceeds of disposition of investments	847	1,263
Gross payments for the purchase of investments	(5)	(8)
	<u>686</u>	<u>1,090</u>
Financing Activities		
Contractholder deposits	5	5
Contractholder withdrawals	(691)	(1,095)
	<u>(686)</u>	<u>(1,090)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Moderate Growth Fund (Franklin Templeton) SF810

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units		
Canadian Equity Fund (Bissett) SF103	420	1,119
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	5.27%	
The Toronto-Dominion Bank	5.07%	
Brookfield Corp.	4.24%	
Bank of Montreal	4.12%	
Canadian Pacific Kansas City Ltd.	3.84%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	146	371
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Fixed Income Fund (Templeton) SF516	2,274	3,087
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Housing Trust No. 1 1.10% 12-15-2026	2.97%	
Province of Ontario 2.70% 06-02-2029	2.22%	
Province of Ontario 2.90% 12-02-2046	2.21%	
CPPIB Capital Inc. 3.95% 06-02-2032	2.09%	
Province of Saskatchewan 5.60% 09-05-2035	2.06%	
Global Equity Fund (Templeton) SF509	320	744
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Microsoft Corp.	4.20%	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.81%	
Amazon.com Inc.	3.63%	
PNC Financial Services Group Inc.	3.33%	
Alphabet Inc. Class A	3.28%	
U.S. Equity Index Fund (GWLIM) SF512	57	249
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	3,217	5,570

Moderate Growth Fund (Franklin Templeton) SF810

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	41,577	48,343	54,716	56,538	60,913	739	793	832	958	981
75/100 guarantee policy	227,263	251,374	302,807	353,351	415,435	4,015	4,101	4,582	5,957	6,659
100/100 guarantee policy	6,256	7,389	12,404	15,899	23,734	108	118	184	263	374
PS1 75/75 guarantee policy	98	98	98	98	98	2	2	1	2	1
PS1 75/100 guarantee policy	40,664	47,259	54,610	41,647	40,821	706	754	803	678	628
PS1 100/100 guarantee policy	—	2,519	2,043	2,043	2,043	—	39	30	33	31

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	17.78	16.41	15.21	16.94	16.10	1.37	1.20
75/100 guarantee policy	17.66	16.31	15.13	16.86	16.03	1.35	1.18
100/100 guarantee policy	17.24	15.94	14.81	16.53	15.74	1.30	1.13
PS1 75/75 guarantee policy	17.43	16.00	14.76	16.35	15.45	1.43	1.24
PS1 75/100 guarantee policy	17.37	15.95	14.70	16.29	15.39	1.42	1.25
PS1 100/100 guarantee policy	—	15.66	14.47	16.05	15.19	—	1.19

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Growth Fund (Franklin Templeton) SF810 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Growth Fund (Franklin Templeton) SF810

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Growth Fund (Franklin Templeton) SF810

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.80	2.78	2.78	2.78	2.78
75/100 guarantee policy	2.86	2.84	2.84	2.84	2.84
100/100 guarantee policy	3.01	2.99	3.00	3.00	2.99
PS1 75/75 guarantee policy	2.20	2.20	2.20	2.19	2.19
PS1 75/100 guarantee policy	2.26	2.25	2.24	2.25	2.25
PS1 100/100 guarantee policy	—	2.41	2.41	2.41	2.41

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.08	0.12	0.05	0.07	3.88

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE INCOME FUND (FRANKLIN
TEMPLETON) SF811

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Income Fund (Franklin Templeton) SF811 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Income Fund (Franklin Templeton) SF811

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	3,345	4,450
Total investments	3,345	4,450
Total assets	\$ 3,345	\$ 4,450
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 3,345	\$ 4,450

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 390	\$ 437
Miscellaneous income (loss)	—	—
Total income (loss)	390	437
Expenses		
Management fees (note 8)	94	103
Other	9	10
Total expenses	103	113
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 287	\$ 324

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 4,450	\$ 4,544
Contractholder deposits	3	4
Contractholder withdrawals	(1,395)	(422)
Increase (decrease) in net assets from operations attributable to contractholders	287	324
Change in net assets attributable to contractholders	(1,105)	(94)
Net assets attributable to contractholders - end of year	\$ 3,345	\$ 4,450

Moderate Income Fund (Franklin Templeton) SF811

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 287	\$ 324
Adjustments		
Realized (gains) losses	(556)	(160)
Unrealized (gains) losses	166	(277)
Gross proceeds of disposition of investments	1,496	532
Gross payments for the purchase of investments	(1)	(1)
	<u>1,392</u>	<u>418</u>
Financing Activities		
Contractholder deposits	3	4
Contractholder withdrawals	(1,395)	(422)
	<u>(1,392)</u>	<u>(418)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Moderate Income Fund (Franklin Templeton) SF811

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Fund (Bissett) SF103	212	522
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	5.27%	
The Toronto-Dominion Bank	5.07%	
Brookfield Corp.	4.24%	
Bank of Montreal	4.12%	
Canadian Pacific Kansas City Ltd.	3.84%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	72	173
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Fixed Income Fund (Templeton) SF516	1,665	2,187
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Housing Trust No. 1 1.10% 12-15-2026	2.97%	
Province of Ontario 2.70% 06-02-2029	2.22%	
Province of Ontario 2.90% 12-02-2046	2.21%	
CPPIB Capital Inc. 3.95% 06-02-2032	2.09%	
Province of Saskatchewan 5.60% 09-05-2035	2.06%	
Global Equity Fund (Templeton) SF509	162	347
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Microsoft Corp.	4.20%	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.81%	
Amazon.com Inc.	3.63%	
PNC Financial Services Group Inc.	3.33%	
Alphabet Inc. Class A	3.28%	
U.S. Equity Index Fund (GWLIM) SF512	32	116
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	2,143	3,345

Moderate Income Fund (Franklin Templeton) SF811

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	25,718	34,216	37,888	54,120	64,561	419	521	537	862	998
75/100 guarantee policy	135,611	156,828	177,625	190,741	243,844	2,195	2,369	2,502	3,021	3,749
100/100 guarantee policy	3,717	3,668	4,826	5,135	5,510	59	54	67	80	83
PS1 75/75 guarantee policy	9,504	10,068	10,647	11,311	11,937	152	150	146	174	177
PS1 75/100 guarantee policy	32,679	91,750	94,287	96,833	124,148	520	1,356	1,292	1,483	1,835
PS1 100/100 guarantee policy	—	—	—	1,767	1,767	—	—	—	27	26

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.31	15.22	14.18	15.94	15.46	1.09	1.04
75/100 guarantee policy	16.18	15.11	14.09	15.84	15.38	1.07	1.02
100/100 guarantee policy	15.82	14.80	13.82	15.56	15.13	1.02	0.98
PS1 75/75 guarantee policy	16.01	14.85	13.76	15.38	14.83	1.16	1.09
PS1 75/100 guarantee policy	15.92	14.78	13.70	15.32	14.78	1.14	1.08
PS1 100/100 guarantee policy	—	—	—	15.05	14.55	—	—

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Income Fund (Franklin Templeton) SF811 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Income Fund (Franklin Templeton) SF811

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Income Fund (Franklin Templeton) SF811

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.69	2.67	2.68	2.68	2.68
75/100 guarantee policy	2.75	2.73	2.73	2.73	2.74
100/100 guarantee policy	2.90	2.88	2.88	2.89	2.89
PS1 75/75 guarantee policy	2.10	2.08	2.08	2.09	2.09
PS1 75/100 guarantee policy	2.15	2.14	2.14	2.15	2.15
PS1 100/100 guarantee policy	—	—	—	2.31	2.31

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.02	0.01	1.42	0.45	7.01

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED FUND (MACKENZIE) SF812

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Fund (Mackenzie) SF812 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Fund (Mackenzie) SF812

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	24,569	24,443
Total investments	24,569	24,443
Total assets	\$ 24,569	\$ 24,443
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 24,569	\$ 24,443

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,673	\$ 2,571
Miscellaneous income (loss)	—	—
Total income (loss)	3,673	2,571
Expenses		
Management fees (note 8)	677	683
Other	75	75
Total expenses	752	758
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,921	\$ 1,813

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 24,443	\$ 25,429
Contractholder deposits	21	28
Contractholder withdrawals	(2,816)	(2,827)
Increase (decrease) in net assets from operations attributable to contractholders	2,921	1,813
Change in net assets attributable to contractholders	126	(986)
Net assets attributable to contractholders - end of year	\$ 24,569	\$ 24,443

Balanced Fund (Mackenzie) SF812

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,921	\$ 1,813
Adjustments		
Realized (gains) losses	(4,571)	(1,569)
Unrealized (gains) losses	898	(1,002)
Gross proceeds of disposition of investments	13,619	3,558
Gross payments for the purchase of investments	(10,072)	(1)
	<u>2,795</u>	<u>2,799</u>
Financing Activities		
Contractholder deposits	21	28
Contractholder withdrawals	(2,816)	(2,827)
	<u>(2,795)</u>	<u>(2,799)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Balanced Fund (Mackenzie) SF812

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Fixed Income Fund 2.81MI	9,764	9,890
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Canadian Growth Fund (Mackenzie) SF518	2,276	6,633
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.54%	
Mackenzie US Large Cap Index ETF *	5.22%	
The Toronto-Dominion Bank	4.48%	
Canadian Natural Resources Ltd.	3.49%	
Canadian Pacific Kansas City Ltd.	3.41%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	815	2,189
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Value Fund (Mackenzie) SF514	1,045	2,195
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Celestica Inc.	3.63%	
Alstom SA	3.40%	
Wells Fargo & Co.	3.40%	
AtkinsRealis Group Inc.	3.37%	
Citigroup Inc.	3.36%	
Ivy Foreign Equity Fund (Mackenzie) SF359	694	2,203
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.81%	
Berkshire Hathaway Inc. Class B	4.14%	
Brookfield Corp.	3.80%	
Amazon.com Inc.	3.77%	
Microsoft Corp.	3.76%	

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Fund (Mackenzie) SF812
Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
U.S. Equity Index Fund (GWLIM) SF512	294	1,459
Top 5 Holdings:	% of Total	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	14,888	24,569

Balanced Fund (Mackenzie) SF812

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	177,964	188,271	203,261	221,275	270,472	3,415	3,213	3,223	3,877	4,331
75/100 guarantee policy	973,679	1,101,729	1,243,682	1,388,252	1,549,842	18,535	18,657	19,585	24,164	24,671
100/100 guarantee policy	22,836	24,460	25,061	25,266	28,366	424	404	386	431	443
PS1 75/75 guarantee policy	29,103	29,314	42,671	43,470	16,440	559	498	670	750	258
PS1 75/100 guarantee policy	68,732	79,845	79,249	89,487	92,840	1,312	1,348	1,237	1,535	1,448
PS2 75/100 guarantee policy	11,877	13,732	15,385	16,293	26,373	313	312	315	357	512
PS 75/75 guarantee policy	668	751	844	938	1,027	10	9	10	12	12
PS 75/100 guarantee policy	66	172	289	408	525	1	2	3	5	6

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	19.19	17.06	15.86	17.52	16.01	2.13	1.20
75/100 guarantee policy	19.04	16.93	15.75	17.41	15.92	2.11	1.18
100/100 guarantee policy	18.55	16.53	15.39	17.04	15.61	2.02	1.14
PS1 75/75 guarantee policy	19.22	16.99	15.70	17.25	15.67	2.23	1.29
PS1 75/100 guarantee policy	19.09	16.88	15.61	17.16	15.60	2.21	1.27
PS2 75/100 guarantee policy	26.37	22.72	20.48	21.93	19.44	3.65	2.24
PS 75/75 guarantee policy	14.22	12.50	11.49	12.55	11.35	1.72	1.01
PS 75/100 guarantee policy	14.17	12.47	11.46	12.53	11.34	1.70	1.01

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Fund (Mackenzie) SF812 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Fund (Mackenzie) SF812

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Fund (Mackenzie) SF812

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	3.11	3.09	3.10	3.10	3.09
75/100 guarantee policy	3.17	3.14	3.15	3.15	3.15
100/100 guarantee policy	3.33	3.30	3.30	3.31	3.31
PS1 75/75 guarantee policy	2.54	2.52	2.52	2.51	2.50
PS1 75/100 guarantee policy	2.59	2.57	2.58	2.58	2.55
PS 75/75 guarantee policy	1.98	1.97	2.00	2.00	1.99
PS 75/100 guarantee policy	2.08	2.04	2.05	2.05	2.04

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.54	2.52	2.52	2.51	2.53
PS1 75/100 guarantee policy	2.59	2.57	2.58	2.58	2.58

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	40.91	—	0.45	2.02	8.60

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
BALANCED INCOME FUND (MACKENZIE) SF813

December 31, 2024

Independent Auditor's Report

To the Contractholders of Balanced Income Fund (Mackenzie) SF813 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Balanced Income Fund (Mackenzie) SF813

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	14,009	16,779
Total investments	14,009	16,779
Total assets	\$ 14,009	\$ 16,779
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 14,009	\$ 16,779

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,097	\$ 1,695
Miscellaneous income (loss)	—	—
Total income (loss)	2,097	1,695
Expenses		
Management fees (note 8)	397	433
Other	45	50
Total expenses	442	483
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,655	\$ 1,212

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 16,779	\$ 17,286
Contractholder deposits	179	40
Contractholder withdrawals	(4,604)	(1,759)
Increase (decrease) in net assets from operations attributable to contractholders	1,655	1,212
Change in net assets attributable to contractholders	(2,770)	(507)
Net assets attributable to contractholders - end of year	\$ 14,009	\$ 16,779

Balanced Income Fund (Mackenzie) SF813

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,655	\$ 1,212
Adjustments		
Realized (gains) losses	(3,687)	(854)
Unrealized (gains) losses	1,590	(841)
Gross proceeds of disposition of investments	11,349	2,218
Gross payments for the purchase of investments	(6,482)	(16)
	<u>4,425</u>	<u>1,719</u>
Financing Activities		
Contractholder deposits	179	40
Contractholder withdrawals	(4,604)	(1,759)
	<u>(4,425)</u>	<u>(1,719)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Balanced Income Fund (Mackenzie) SF813

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Fixed Income Fund 2.81MI	6,223	6,313
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Canadian Growth Fund (Mackenzie) SF518	1,283	3,480
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.54%	
Mackenzie US Large Cap Index ETF *	5.22%	
The Toronto-Dominion Bank	4.48%	
Canadian Natural Resources Ltd.	3.49%	
Canadian Pacific Kansas City Ltd.	3.41%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	472	1,156
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Value Fund (Mackenzie) SF514	595	1,151
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Celestica Inc.	3.63%	
Alstom SA	3.40%	
Wells Fargo & Co.	3.40%	
AtkinsRealis Group Inc.	3.37%	
Citigroup Inc.	3.36%	
Ivy Foreign Equity Fund (Mackenzie) SF359	423	1,148
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.81%	
Berkshire Hathaway Inc. Class B	4.14%	
Brookfield Corp.	3.80%	
Amazon.com Inc.	3.77%	
Microsoft Corp.	3.76%	

*The issuer of this security is a related company to the issuer of the Fund.

Balanced Income Fund (Mackenzie) SF813
Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
U.S. Equity Index Fund (GWLIM) SF512	184	761
Top 5 Holdings:	% of Total	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	9,180	14,009

Balanced Income Fund (Mackenzie) SF813

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	83,897	90,289	102,947	109,017	126,751	1,568	1,510	1,603	1,879	2,017
75/100 guarantee policy	627,677	722,144	806,788	863,451	992,699	11,651	12,001	12,491	14,809	15,727
100/100 guarantee policy	3,843	4,395	7,439	7,751	11,258	69	71	113	130	175
PS1 75/75 guarantee policy	9,661	9,661	14,640	16,338	14,161	180	160	224	276	219
PS1 75/100 guarantee policy	19,364	174,886	177,579	256,683	266,770	358	2,878	2,707	4,310	4,114
PS1 100/100 guarantee policy	9,870	9,870	9,870	9,870	9,870	179	159	148	163	150
PS2 75/75 guarantee policy	169	—	—	—	—	4	—	—	—	—
PS 75/100 guarantee policy	—	—	—	—	83	—	—	—	—	1

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	18.68	16.72	15.57	17.24	15.92	1.96	1.15
75/100 guarantee policy	18.56	16.62	15.48	17.15	15.84	1.94	1.14
100/100 guarantee policy	18.07	16.21	15.12	16.78	15.53	1.86	1.09
PS1 75/75 guarantee policy	18.62	16.56	15.33	16.88	15.49	2.06	1.23
PS1 75/100 guarantee policy	18.49	16.46	15.24	16.79	15.42	2.03	1.22
PS1 100/100 guarantee policy	18.10	16.14	14.98	16.52	15.20	1.96	1.16
PS2 75/75 guarantee policy	25.05	—	—	—	—	3.29	—
PS 75/100 guarantee policy	—	—	—	—	11.34	—	—

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Balanced Income Fund (Mackenzie) SF813 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Balanced Income Fund (Mackenzie) SF813

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Balanced Income Fund (Mackenzie) SF813

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.97	2.94	2.95	2.96	2.96
75/100 guarantee policy	3.01	2.99	3.00	3.00	3.00
100/100 guarantee policy	3.18	3.15	3.17	3.17	3.17
PS1 75/75 guarantee policy	2.38	2.36	2.37	2.36	2.35
PS1 75/100 guarantee policy	2.43	2.41	2.43	2.42	2.40
PS1 100/100 guarantee policy	2.60	2.58	2.59	2.59	2.57
PS 75/100 guarantee policy	—	—	—	—	1.89

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.38	2.36	2.37	2.36	2.38
PS1 75/100 guarantee policy	2.43	2.41	2.43	2.42	2.43
PS1 100/100 guarantee policy	2.60	2.58	2.59	2.59	2.60

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	42.61	0.09	3.66	2.80	10.12

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE GROWTH FUND (MACKENZIE) SF814

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Growth Fund (Mackenzie) SF814 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Growth Fund (Mackenzie) SF814

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	11,546	12,154
Total investments	11,546	12,154
Total assets	\$ 11,546	\$ 12,154
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 11,546	\$ 12,154

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,440	\$ 1,206
Miscellaneous income (loss)	—	—
Total income (loss)	1,440	1,206
Expenses		
Management fees (note 8)	295	321
Other	31	34
Total expenses	326	355
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,114	\$ 851

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 12,154	\$ 13,530
Contractholder deposits	12	19
Contractholder withdrawals	(1,734)	(2,246)
Increase (decrease) in net assets from operations attributable to contractholders	1,114	851
Change in net assets attributable to contractholders	(608)	(1,376)
Net assets attributable to contractholders - end of year	\$ 11,546	\$ 12,154

Moderate Growth Fund (Mackenzie) SF814

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,114	\$ 851
Adjustments		
Realized (gains) losses	(2,604)	(938)
Unrealized (gains) losses	1,164	(268)
Gross proceeds of disposition of investments	8,409	2,598
Gross payments for the purchase of investments	(6,361)	(16)
	<u>1,722</u>	<u>2,227</u>
Financing Activities		
Contractholder deposits	12	19
Contractholder withdrawals	(1,734)	(2,246)
	<u>(1,722)</u>	<u>(2,227)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Moderate Growth Fund (Mackenzie) SF814

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Fixed Income Fund 2.81MI	6,289	6,378
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Canadian Growth Fund (Mackenzie) SF518	836	2,335
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.54%	
Mackenzie US Large Cap Index ETF *	5.22%	
The Toronto-Dominion Bank	4.48%	
Canadian Natural Resources Ltd.	3.49%	
Canadian Pacific Kansas City Ltd.	3.41%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	302	772
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Value Fund (Mackenzie) SF514	394	773
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Celestica Inc.	3.63%	
Alstom SA	3.40%	
Wells Fargo & Co.	3.40%	
AtkinsRealis Group Inc.	3.37%	
Citigroup Inc.	3.36%	
Ivy Foreign Equity Fund (Mackenzie) SF359	273	775
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.81%	
Berkshire Hathaway Inc. Class B	4.14%	
Brookfield Corp.	3.80%	
Amazon.com Inc.	3.77%	
Microsoft Corp.	3.76%	

*The issuer of this security is a related company to the issuer of the Fund.

Moderate Growth Fund (Mackenzie) SF814

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Equity Index Fund (GWLIM) SF512	120	513
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	8,214	11,546

Moderate Growth Fund (Mackenzie) SF814

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	91,182	101,817	108,560	114,912	263,077	1,590	1,612	1,608	1,894	4,096
75/100 guarantee policy	492,134	575,686	686,121	788,046	873,120	8,512	9,049	10,095	12,909	13,516
100/100 guarantee policy	23,160	28,590	31,506	33,275	37,286	390	439	453	534	566
PS1 75/75 guarantee policy	2,440	4,848	9,107	9,107	8,294	42	75	132	145	125
PS1 75/100 guarantee policy	53,967	58,100	64,319	83,487	146,647	923	898	925	1,328	2,191
PS1 100/100 guarantee policy	645	645	17,799	20,945	32,201	11	10	251	328	474
PS2 75/100 guarantee policy	—	—	—	—	11,515	—	—	—	—	209
PS2 100/100 guarantee policy	—	—	—	—	8,786	—	—	—	—	160
PS 75/100 guarantee policy	5,887	5,916	5,946	5,976	6,007	78	71	66	73	69

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	17.43	15.84	14.81	16.48	15.57	1.59	1.03
75/100 guarantee policy	17.30	15.72	14.71	16.38	15.48	1.58	1.01
100/100 guarantee policy	16.86	15.34	14.38	16.04	15.18	1.52	0.96
PS1 75/75 guarantee policy	17.22	15.55	14.46	15.99	15.01	1.67	1.09
PS1 75/100 guarantee policy	17.10	15.45	14.37	15.91	14.94	1.65	1.08
PS1 100/100 guarantee policy	16.74	15.15	14.12	15.65	14.73	1.59	1.03
PS2 75/100 guarantee policy	—	—	—	—	18.20	—	—
PS2 100/100 guarantee policy	—	—	—	—	18.19	—	—
PS 75/100 guarantee policy	13.35	12.00	11.11	12.23	11.43	1.35	0.89

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Growth Fund (Mackenzie) SF814 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Growth Fund (Mackenzie) SF814

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Growth Fund (Mackenzie) SF814

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.84	2.83	2.84	2.86	2.86
75/100 guarantee policy	2.90	2.88	2.89	2.90	2.91
100/100 guarantee policy	3.05	3.04	3.05	3.06	3.07
PS1 75/75 guarantee policy	2.25	2.23	2.24	2.25	2.23
PS1 75/100 guarantee policy	2.30	2.29	2.30	2.32	2.29
PS1 100/100 guarantee policy	2.46	2.45	2.47	2.48	2.46
PS 75/100 guarantee policy	1.79	1.78	1.78	1.79	1.79

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.25	2.23	2.24	2.25	2.26
PS1 75/100 guarantee policy	2.30	2.29	2.30	2.32	2.32
PS1 100/100 guarantee policy	2.46	2.45	2.47	2.48	2.49

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	54.73	0.12	0.02	2.26	7.98

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MODERATE INCOME FUND (MACKENZIE) SF815

December 31, 2024

Independent Auditor's Report

To the Contractholders of Moderate Income Fund (Mackenzie) SF815 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Moderate Income Fund (Mackenzie) SF815

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	13,177	16,152
Total investments	13,177	16,152
Total assets	\$ 13,177	\$ 16,152
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 13,177	\$ 16,152

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 1,494	\$ 1,419
Miscellaneous income (loss)	—	—
Total income (loss)	1,494	1,419
Expenses		
Management fees (note 8)	335	375
Other	36	40
Total expenses	371	415
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,123	\$ 1,004

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 16,152	\$ 16,469
Contractholder deposits	173	27
Contractholder withdrawals	(4,271)	(1,348)
Increase (decrease) in net assets from operations attributable to contractholders	1,123	1,004
Change in net assets attributable to contractholders	(2,975)	(317)
Net assets attributable to contractholders - end of year	\$ 13,177	\$ 16,152

Moderate Income Fund (Mackenzie) SF815

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,123	\$ 1,004
Adjustments		
Realized (gains) losses	(3,875)	(576)
Unrealized (gains) losses	2,381	(843)
Gross proceeds of disposition of investments	13,193	1,744
Gross payments for the purchase of investments	(8,724)	(8)
	<u>4,098</u>	<u>1,321</u>
Financing Activities		
Contractholder deposits	173	27
Contractholder withdrawals	(4,271)	(1,348)
	<u>(4,098)</u>	<u>(1,321)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Moderate Income Fund (Mackenzie) SF815

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Fixed Income Fund 2.81MI	8,451	8,575
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Canadian Growth Fund (Mackenzie) SF518	785	2,081
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.54%	
Mackenzie US Large Cap Index ETF *	5.22%	
The Toronto-Dominion Bank	4.48%	
Canadian Natural Resources Ltd.	3.49%	
Canadian Pacific Kansas City Ltd.	3.41%	
Canadian Large Cap Equity Index Fund (GWLIM) SF503	287	691
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	8.33%	
Shopify Inc.	6.31%	
The Toronto-Dominion Bank	4.55%	
Enbridge Inc.	4.52%	
Brookfield Corp.	4.04%	
Global Value Fund (Mackenzie) SF514	361	688
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Celestica Inc.	3.63%	
Alstom SA	3.40%	
Wells Fargo & Co.	3.40%	
AtkinsRealis Group Inc.	3.37%	
Citigroup Inc.	3.36%	
Ivy Foreign Equity Fund (Mackenzie) SF359	247	687
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Alphabet Inc. Class A	4.81%	
Berkshire Hathaway Inc. Class B	4.14%	
Brookfield Corp.	3.80%	
Amazon.com Inc.	3.77%	
Microsoft Corp.	3.76%	

*The issuer of this security is a related company to the issuer of the Fund.

Moderate Income Fund (Mackenzie) SF815

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. Equity Index Fund (GWLIM) SF512	122	455
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	7.51%	
NVIDIA Corp.	6.53%	
Microsoft Corp.	6.22%	
Amazon.com Inc.	4.04%	
Meta Platforms Inc.	2.52%	
Total Investments	10,253	13,177

Moderate Income Fund (Mackenzie) SF815

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	63,142	74,681	87,890	93,101	106,436	1,028	1,120	1,240	1,469	1,621
75/100 guarantee policy	670,328	762,505	836,761	953,630	1,115,089	10,820	11,348	11,719	14,949	16,882
100/100 guarantee policy	1,298	1,267	3,897	14,235	18,599	20	18	53	219	276
PS1 75/75 guarantee policy	2,736	1,776	1,880	2,003	2,121	43	26	26	30	31
PS1 75/100 guarantee policy	70,043	241,254	243,150	242,631	267,665	1,107	3,494	3,294	3,657	3,873
PS1 100/100 guarantee policy	10,260	10,260	10,260	11,092	11,092	159	146	137	165	158
PS2 75/100 guarantee policy	—	—	—	—	11,130	—	—	—	—	194
PS 75/100 guarantee policy	—	—	—	90	426	—	—	—	1	5

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	16.28	15.00	14.11	15.78	15.23	1.28	0.89
75/100 guarantee policy	16.14	14.88	14.01	15.68	15.14	1.26	0.87
100/100 guarantee policy	15.75	14.55	13.71	15.37	14.87	1.20	0.84
PS1 75/75 guarantee policy	15.91	14.58	13.63	15.16	14.54	1.33	0.95
PS1 75/100 guarantee policy	15.80	14.48	13.55	15.07	14.47	1.32	0.93
PS1 100/100 guarantee policy	15.47	14.21	13.31	14.84	14.27	1.26	0.90
PS2 75/100 guarantee policy	—	—	—	—	17.40	—	—
PS 75/100 guarantee policy	—	—	—	12.00	11.46	—	—

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Moderate Income Fund (Mackenzie) SF815 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Moderate Income Fund (Mackenzie) SF815

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Moderate Income Fund (Mackenzie) SF815

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.68	2.66	2.67	2.68	2.67
75/100 guarantee policy	2.74	2.72	2.73	2.73	2.73
100/100 guarantee policy	2.89	2.87	2.92	2.89	2.89
PS1 75/75 guarantee policy	2.09	2.07	2.08	2.08	2.05
PS1 75/100 guarantee policy	2.14	2.12	2.13	2.14	2.11
PS1 100/100 guarantee policy	2.31	2.29	2.30	2.30	2.28
PS 75/100 guarantee policy	—	—	—	1.63	1.62

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.09	2.07	2.08	2.08	2.08
PS1 75/100 guarantee policy	2.14	2.12	2.13	2.14	2.14
PS1 100/100 guarantee policy	2.31	2.29	2.30	2.30	2.31

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	61.26	0.04	3.70	0.54	9.31

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
SHORT TERM BOND FUND (PIM) SF816

December 31, 2024

Independent Auditor's Report

To the Contractholders of Short Term Bond Fund (PIM) SF816 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Short Term Bond Fund (PIM) SF816

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 315	\$ 1,549
Investment income due and accrued	137	632
Due from The Canada Life Assurance Company (note 8)	—	22
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	14,838	78,945
Stocks	7	781
Investment fund units	—	—
Derivatives (note 7)	18	42
Total investments	14,863	79,768
Total assets	\$ 15,315	\$ 81,971
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	3	—
Due to brokers	—	39
Due to outside parties	—	—
Derivatives (note 7)	40	2
Total liabilities excluding net assets attributable to contractholders	43	41
Net assets attributable to contractholders	\$ 15,272	\$ 81,930

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 4,902	\$ 4,512
Miscellaneous income (loss)	27	36
Total income (loss)	4,929	4,548
Expenses		
Management fees (note 8)	100	93
Transaction costs	—	—
Withholding taxes	—	—
Other	11	7
Total expenses	111	100
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,818	\$ 4,448

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 81,930	\$ 76,165
Contractholder deposits	8,257	10,115
Contractholder withdrawals	(79,733)	(8,798)
Increase (decrease) in net assets from operations attributable to contractholders	4,818	4,448
Change in net assets attributable to contractholders	(66,658)	5,765
Net assets attributable to contractholders - end of year	\$ 15,272	\$ 81,930

Short Term Bond Fund (PIM) SF816

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,818	\$ 4,448
Adjustments		
Add back amortization of premium (discount)	95	(41)
Realized (gains) losses	(2,362)	1,967
Unrealized (gains) losses	132	(4,093)
Gross proceeds of disposition of investments	110,582	70,890
Gross payments for the purchase of investments	(43,504)	(76,685)
Change in investment income due and accrued	495	(206)
Change in due from/to The Canada Life Assurance Company	25	61
Change in due from/to brokers	(39)	39
Change in due from/to outside parties	—	—
	70,242	(3,620)
Financing Activities		
Contractholder deposits	8,257	10,115
Contractholder withdrawals	(79,733)	(8,798)
	(71,476)	1,317
Net increase (decrease) in cash, short-term deposits and overdrafts	(1,234)	(2,303)
Cash, short-term deposits and overdrafts, beginning of year	1,549	3,852
Cash, short-term deposits and overdrafts, end of year	\$ 315	\$ 1,549
Supplementary cash flow information		
Interest income received	\$ 3,194	\$ 1,837
Dividend income received	26	30

Short Term Bond Fund (PIM) SF816

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 1.95% 12-15-2025	450,000	445	446
Government of Canada 1.25% 03-01-2027	493,000	466	476
Government of Canada 2.25% 06-01-2029	350,000	341	341
Government of Canada 2.75% 09-01-2027	987,000	977	982
Government of Canada 3.25% 09-01-2028	543,000	522	548
Total Federal Government		2,751	2,793
Provincial Government			
Province of Alberta 2.35% 06-01-2025	88,000	94	88
Province of Alberta 2.55% 06-01-2027	71,000	68	70
Province of Newfoundland and Labrador 1.25% 06-02-2027	114,000	114	109
Province of Ontario 3.40% 09-08-2028	395,000	375	399
Province of Ontario 4.00% 03-08-2029	333,000	341	344
Province of Quebec 2.30% 09-01-2029	529,000	510	508
Province of Quebec 2.75% 09-01-2028	729,000	695	719
Total Provincial Government		2,197	2,237
Corporate - Non-convertible			
Bank of Montreal 1.551% 05-28-2026	54,000	54	53
Bank of Montreal 4.309% 06-01-2027	218,000	217	222
Bank of Montreal 4.42% 07-17-2029	59,000	59	61
Bank of Montreal 4.537% 12-18-2028	50,000	50	52
Bank of Montreal 4.976% 07-03-2034	81,000	83	84
Bank of Montreal 6.534% 10-27-2032	62,000	63	66
Bank of Montreal 7.325% 11-26-2082	66,000	66	70
Bell Canada 3.60% 09-29-2027	120,000	112	120
BMW Canada Inc. 3.91% 10-13-2026	31,000	31	31
Brookfield Infrastructure Finance ULC 6.75% 03-15-2055	109,000	152	157
Canadian Core Real Estate LP 4.482% 10-16-2029	42,000	42	43
Canadian Imperial Bank of Commerce 4.375% 10-28-2025	230,000	225	230
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	97,000	96	100
Canadian Imperial Bank of Commerce 5.00% 12-07-2026	90,000	90	93

Short Term Bond Fund (PIM) SF816

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	73,000	73	76
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	63,000	63	66
Canadian Natural Resources Ltd. 4.15% 12-15-2031	2,000	2	2
Canadian Western Bank 4.271% 02-08-2027	193,000	193	196
Canadian Western Bank 5.949% 01-29-2034	40,000	40	43
Capital Power Corp. 5.378% 01-25-2027	20,000	20	21
Cenovus Energy Inc. 3.50% 02-07-2028	30,000	29	30
Central 1 Credit Union 2.391% 06-30-2031	70,000	70	68
Central 1 Credit Union 4.648% 02-07-2028	116,000	111	118
Central 1 Credit Union 5.877% 11-10-2026	42,000	42	44
CNH Capital Canada Ltd. 4.00% 04-11-2028	50,000	50	50
Coast Capital Savings Federal Credit Union 4.517% 10-18-2027	154,000	154	155
Coast Capital Savings Federal Credit Union 5.25% 10-29-2030	148,000	164	148
Coastal Gaslink Pipeline LP 4.673% 06-30-2027	60,000	60	62
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	261,000	269	272
Daimler Canada Finance Inc. 1.65% 09-22-2025	31,000	31	31
Dream Industrial REIT 2.539% 12-07-2026	49,000	49	48
Dream Industrial REIT 5.383% 03-22-2028	61,000	61	64
Enbridge Inc. 4.21% 02-22-2030	88,000	88	89
Enbridge Inc. 5.375% 09-27-2077	370,000	368	374
Equitable Bank 1.876% 11-26-2025	143,000	140	141
Equitable Bank 3.92% 09-24-2026	63,000	63	63
Equitable Bank 3.99% 03-24-2028	79,000	79	79
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029	60,000	61	61
Federation des Caisses Desjardins du Quebec 4.407% 05-19-2027	95,000	95	97
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	26,000	26	27
First Capital REIT 3.447% 03-01-2028	104,000	100	103
First Capital REIT 4.513% 06-03-2030	28,000	28	28
Ford Credit Canada Co. 7.375% 05-12-2026	40,000	42	42
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	56,000	56	58
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	39,000	39	40
George Weston Ltd. 4.193% 09-05-2029	53,000	53	54
Granite REIT Holdings LP 3.999% 10-04-2029	55,000	55	55
HSBC Bank Canada 3.403% 03-24-2025	66,000	66	66

Short Term Bond Fund (PIM) SF816

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Hydro One Inc. 4.91% 01-27-2028	60,000	60	63
Hyundai Capital Canada Inc. 4.489% 07-26-2027	62,000	63	63
iA Financial Corp. Inc. 4.131% 12-05-2034	1,000	1	1
iA Financial Corp. Inc. 5.685% 06-20-2033	38,000	38	40
iA Financial Corp. Inc. 6.921% 09-30-2084	60,000	60	63
Intact Financial Corp. 4.125% 03-31-2081	220,000	211	218
Intact Financial Corp. 4.653% 05-16-2034	34,000	34	35
Laurentian Bank of Canada 1.95% 03-17-2025	54,000	54	54
Loblaw Companies Ltd. 3.564% 12-12-2029	61,000	61	61
Manulife Financial Corp. 4.064% 12-06-2034	16,000	16	16
Manulife Financial Corp. 5.054% 02-23-2034	80,000	80	84
Manulife Financial Corp. 5.409% 03-10-2033	231,000	233	242
MCAP Commercial LP 3.743% 08-25-2025	60,000	62	60
National Bank of Canada 1.573% 08-18-2026	122,000	116	121
National Bank of Canada 5.279% 02-15-2034	43,000	43	45
North West Redwater Partnership 2.80% 06-01-2027	19,000	20	19
North West Redwater Partnership 3.20% 04-24-2026	20,000	19	20
Prologis Inc. 4.70% 03-01-2029	77,000	77	80
Reliance LP 2.68% 12-01-2027	183,000	173	178
Reliance LP 3.75% 03-15-2026	71,000	76	71
Rogers Communications Inc. 5.70% 09-21-2028	79,000	81	84
Royal Bank of Canada 2.328% 01-28-2027	31,000	28	30
Royal Bank of Canada 4.00% 10-17-2030	40,000	40	40
Royal Bank of Canada 4.50% 11-24-2080	157,000	154	157
Royal Bank of Canada 4.642% 01-17-2028	87,000	87	90
Royal Bank of Canada 5.01% 02-01-2033	217,000	213	224
Royal Bank of Canada 5.096% 04-03-2034	40,000	40	42
Royal Bank of Canada 5.228% 06-24-2030	70,000	74	75
Saputo Inc. 2.242% 06-16-2027	30,000	27	29
Sienna Senior Living Inc. 3.45% 02-27-2026	40,000	41	40
Sienna Senior Living Inc. 4.436% 10-17-2029	16,000	16	16
Sun Life Financial Inc. 2.58% 05-10-2032	130,000	116	127
Sun Life Financial Inc. 2.80% 11-21-2033	110,000	102	106
The Bank of Nova Scotia 1.95% 01-10-2025	182,000	179	182

Short Term Bond Fund (PIM) SF816

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
The Bank of Nova Scotia 3.836% 09-26-2030	98,000	98	98
The Bank of Nova Scotia 4.68% 02-01-2029	58,000	58	60
The Bank of Nova Scotia 4.95% 08-01-2034	70,000	70	72
The Bank of Nova Scotia 5.679% 08-02-2033	46,000	46	49
The Bank of Nova Scotia 7.023% 07-27-2082	162,000	162	169
The Empire Life Insurance Co. 3.625% 04-17-2026	60,000	60	54
The Empire Life Insurance Co. 5.503% 01-13-2033	37,000	37	39
The Toronto-Dominion Bank 3.06% 01-26-2032	14,000	13	14
The Toronto-Dominion Bank 3.105% 04-22-2030	500,000	499	499
The Toronto-Dominion Bank 4.002% 10-31-2030	91,000	91	92
The Toronto-Dominion Bank 4.21% 06-01-2027	56,000	55	57
The Toronto-Dominion Bank 4.477% 01-18-2028	127,000	127	130
Toyota Credit Canada Inc. 3.55% 10-04-2027	127,000	127	127
Toyota Credit Canada Inc. 3.73% 10-02-2029	60,000	60	60
Toyota Credit Canada Inc. 4.42% 06-28-2027	52,000	52	53
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	213,000	208	212
Waste Management of Canada Corp. 2.60% 09-23-2026	380,000	351	375
WSP Global Inc. 4.12% 09-12-2029	55,000	55	56
Total Corporate - Non-convertible		9,044	9,245
Total Canadian Bonds		13,992	14,275
United States Bonds			
Corporate - Non-convertible			
Athene Global Funding 2.47% 06-09-2028	56,000	53	54
Athene Global Funding 5.113% 03-07-2029	55,000	55	57
Bank of America Corp. 1.978% 09-15-2027	13,000	13	13
Bank of America Corp. 3.615% 03-16-2028	278,000	267	278
JPMorgan Chase & Co. 1.896% 03-05-2028	7,000	7	7

Short Term Bond Fund (PIM) SF816

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
United States Bonds (continued)			
Corporate - Non-convertible (continued)			
The Goldman Sachs Group Inc. 2.599% 11-30-2027	157,000	156	154
Total Corporate - Non-convertible		551	563
Total United States Bonds		551	563
Total Bonds		14,543	14,838
Canadian Preferred Stock			
Financials			
Brookfield Corp. 4.80% Preferred Conv.	192	5	4
Total Canadian Preferred Stock		5	4
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	108	3	3
Total Global Preferred Stock		3	3
Total Stocks		8	7

Short Term Bond Fund (PIM) SF816
Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7138	January 10, 2025	United States Dollar	654	Canadian Dollar	637	17
0.7142	January 24, 2025	United States Dollar	32	Canadian Dollar	31	1
Derivatives - Assets						18
1.3656	January 10, 2025	Canadian Dollar	893	United States Dollar	925	(32)
1.3641	January 24, 2025	Canadian Dollar	25	United States Dollar	26	(1)
1.3640	January 24, 2025	Canadian Dollar	96	United States Dollar	100	(4)
1.3925	February 21, 2025	Canadian Dollar	142	United States Dollar	145	(3)
Derivatives - Liabilities						(40)
Total Forward Currency Contracts						(22)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
3	CAD 111.76	CAN 5YR BOND 03-31-2025	March 31, 2025	CAD 340	CAD 113.27	-
7	CAD 104.40	CAN 2YR BOND 03-31-2025	March 31, 2025	CAD 736	CAD 105.09	-
Derivatives - Assets						-
Total Futures Contracts						-

Total Derivative Instruments at Fair Value (22)

Total Investments 14,551 14,823

Short Term Bond Fund (PIM) SF816

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Short Term Bond Fund (PIM) SF816 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024

Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders
United States Dollar	\$ (2)	\$ —	\$ (2)	\$ —
Total	\$ (2)	\$ —	\$ (2)	\$ —
As Percent of Net Assets Attributable to Contractholders			—%	—%

*Includes both monetary and non-monetary instruments

Short Term Bond Fund (PIM) SF816

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ (3)	\$ 1	\$ (2)	\$	—
Other Currencies	—	(5)	(5)		—
Total	\$ (3)	\$ (4)	\$ (7)	\$	—
As Percent of Net Assets Attributable to Contractholders			—%		—%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 1,298	\$ 9,483	\$ 2,572	\$ 1,485	\$ 14,838

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 6,982	\$ 65,782	\$ 4,491	\$ 1,690	\$ 78,945

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$383 (\$2,192 at December 31, 2023) or approximately 2.5% (2.7% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

Short Term Bond Fund (PIM) SF816

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Credit Risk (continued)

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	3.0	2.9	7.7	7.5
AA	30.6	29.8	23.2	22.4
A	31.5	30.5	42.3	40.7
BBB	30.7	29.8	25.6	24.7
BB and lower	4.2	4.1	1.1	1.0
NR *	—	—	0.1	0.1
Total	100.0	97.1	100.0	96.4

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$0 (\$8 at December 31, 2023) or approximately 0.0% (0.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

Short Term Bond Fund (PIM) SF816

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

		2024			
		Assets and Liabilities Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Bonds	\$	—	\$ 14,838	\$ —	\$ 14,838
Stocks		7	—	—	7
Derivatives		1	17	—	18
Total assets measured at fair value	\$	8	\$ 14,855	\$ —	\$ 14,863
Liabilities measured at fair value					
Derivatives ⁽¹⁾	\$	—	\$ 40	\$ —	\$ 40
Net assets attributable to contractholders measured at fair value	\$	8	\$ 14,815	\$ —	\$ 14,823

⁽¹⁾ Excludes collateral pledged to counterparties of \$14.

		2023			
		Assets and Liabilities Measured at Fair Value			
		Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Bonds	\$	—	\$ 78,945	\$ —	\$ 78,945
Stocks		781	—	—	781
Derivatives		7	35	—	42
Total assets measured at fair value	\$	788	\$ 78,980	\$ —	\$ 79,768
Liabilities measured at fair value					
Derivatives ⁽¹⁾	\$	2	\$ —	\$ —	\$ 2
Net assets attributable to contractholders measured at fair value	\$	786	\$ 78,980	\$ —	\$ 79,766

⁽¹⁾ Excludes collateral pledged to counterparties of \$76.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Short Term Bond Fund (PIM) SF816

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	68,568	62,519	68,818	74,889	59,622	754	657	694	795	645
75/100 guarantee policy	203,984	205,639	235,692	203,812	211,756	2,229	2,147	2,364	2,153	2,282
100/100 guarantee policy	10,916	10,008	11,727	13,369	2,557	118	103	116	140	27
PS1 75/75 guarantee policy	106,188	32,468	61,202	45,220	102,333	1,213	353	637	493	1,134
PS1 75/100 guarantee policy	210,702	235,665	233,929	186,889	550,041	2,392	2,548	2,421	2,030	6,073
PS1 100/100 guarantee policy	8,311	6,511	6,511	14,660	5,188	93	70	67	158	57
PS2 75/75 guarantee policy	16,993	18,086	18,969	19,004	876,446	227	227	224	233	10,751
PS2 75/100 guarantee policy	71,622	89,300	60,278	36,666	5,491	957	1,120	713	449	67
PS 75/75 guarantee policy	22,783	5,846	6,606	6,167	628	255	62	67	66	7
PS 75/100 guarantee policy	35,135	22,938	13,040	17,633	15,545	393	244	132	187	168
PPS 75/75 guarantee policy	64,085	1,999	2,010	—	—	735	22	21	—	—
PPS 75/100 guarantee policy	46,090	27,133	26,395	21,749	11,235	527	294	272	234	122

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.99	10.50	10.08	10.61	10.82	0.49	0.42
75/100 guarantee policy	10.92	10.44	10.03	10.56	10.77	0.48	0.41
100/100 guarantee policy	10.78	10.31	9.91	10.45	10.67	0.47	0.40
PS1 75/75 guarantee policy	11.42	10.87	10.40	10.91	11.09	0.55	0.47
PS1 75/100 guarantee policy	11.35	10.81	10.35	10.86	11.04	0.54	0.46
PS1 100/100 guarantee policy	11.21	10.69	10.24	10.76	10.95	0.52	0.45
PS2 75/75 guarantee policy	13.35	12.54	11.83	12.24	12.27	0.81	0.71
PS2 75/100 guarantee policy	13.36	12.54	11.83	12.24	12.27	0.82	0.71
PS 75/75 guarantee policy	11.21	10.65	10.17	10.65	10.79	0.56	0.48
PS 75/100 guarantee policy	11.17	10.62	10.14	10.63	10.78	0.55	0.48
PPS 75/75 guarantee policy	11.46	10.85	10.33	—	—	0.61	0.52
PPS 75/100 guarantee policy	11.42	10.82	10.30	10.75	10.87	0.60	0.52

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Short Term Bond Fund (PIM) SF816

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Short Term Bond Fund (PIM) SF816

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.71	1.70	1.74	1.73	1.68
75/100 guarantee policy	1.77	1.76	1.79	1.79	1.72
100/100 guarantee policy	1.88	1.86	1.91	1.88	1.83
PS1 75/75 guarantee policy	1.37	1.36	1.38	1.39	1.33
PS1 75/100 guarantee policy	1.42	1.41	1.44	1.45	1.38
PS1 100/100 guarantee policy	1.53	1.52	1.57	1.54	1.49
PS 75/75 guarantee policy	1.17	1.16	1.18	1.17	1.13
PS 75/100 guarantee policy	1.22	1.21	1.24	1.23	1.19
PPS 75/75 guarantee policy	0.82	0.82	0.83	—	—
PPS 75/100 guarantee policy	0.88	0.87	0.89	0.88	0.85

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	56.17	93.18	59.21	62.75	54.98

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
CORPORATE BOND FUND (PIM) SF817

December 31, 2024

Independent Auditor's Report

To the Contractholders of Corporate Bond Fund (PIM) SF817 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Corporate Bond Fund (PIM) SF817

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 2,469	\$ 1,150
Investment income due and accrued	708	1,598
Due from The Canada Life Assurance Company (note 8)	42	67
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	68,654	159,008
Stocks	141	3,018
Investment fund units	—	—
Derivatives (note 7)	92	227
Total investments	68,887	162,253
Total assets	\$ 72,106	\$ 165,068
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	77
Due to outside parties	—	—
Derivatives (note 7)	232	118
Total liabilities excluding net assets attributable to contractholders	232	195
Net assets attributable to contractholders	\$ 71,874	\$ 164,873

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 13,553	\$ 12,673
Miscellaneous income (loss)	19	67
Total income (loss)	13,572	12,740
Expenses		
Management fees (note 8)	789	597
Transaction costs	—	1
Withholding taxes	—	—
Other	91	64
Total expenses	880	662
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 12,692	\$ 12,078

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 164,873	\$ 145,050
Contractholder deposits	25,979	21,063
Contractholder withdrawals	(131,670)	(13,318)
Increase (decrease) in net assets from operations attributable to contractholders	12,692	12,078
Change in net assets attributable to contractholders	(92,999)	19,823
Net assets attributable to contractholders - end of year	\$ 71,874	\$ 164,873

Corporate Bond Fund (PIM) SF817

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 12,692	\$ 12,078
Adjustments		
Realized (gains) losses	(3,536)	4,722
Unrealized (gains) losses	(3,037)	(11,160)
Gross proceeds of disposition of investments	175,069	71,551
Gross payments for the purchase of investments	(75,016)	(87,252)
Change in investment income due and accrued	890	(414)
Change in due from/to The Canada Life Assurance Company	25	217
Change in due from/to brokers	(77)	77
Change in due from/to outside parties	—	—
	107,010	(10,181)
Financing Activities		
Contractholder deposits	25,979	21,063
Contractholder withdrawals	(131,670)	(13,318)
	(105,691)	7,745
Net increase (decrease) in cash, short-term deposits and overdrafts	1,319	(2,436)
Cash, short-term deposits and overdrafts, beginning of year	1,150	3,586
Cash, short-term deposits and overdrafts, end of year	\$ 2,469	\$ 1,150
Supplementary cash flow information		
Interest income received	\$ 7,656	\$ 5,537
Dividend income received	123	182

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Provincial Government			
Ontario Power Generation Inc. 4.831% 06-28-2034	239,000	239	250
Total Provincial Government		239	250
Corporate - Non-convertible			
407 International Inc. 2.59% 05-25-2032	571,000	506	527
407 International Inc. 3.30% 03-27-2045	630,000	509	527
407 International Inc. 3.60% 05-21-2047	1,300,000	1,071	1,128
407 International Inc. 4.54% 10-09-2054	160,000	160	160
407 International Inc. 4.86% 07-31-2053	252,000	252	264
Aeroports de Montreal 3.36% 04-24-2047	182,000	147	153
Aeroports de Montreal 3.918% 06-12-2045	390,000	351	360
Aeroports de Montreal 6.55% 10-11-2033	17,000	20	20
Alectra Inc. 4.627% 06-13-2034	118,000	118	123
Algonquin Power & Utilities Corp. 5.25% 01-18-2082	1,129,000	1,015	1,084
Alimentation Couche-Tard Inc. 5.592% 09-25-2030	182,000	182	196
AltaGas Ltd. 5.25% 01-11-2082	167,000	156	162
AltaLink LP 3.99% 06-30-2042	865,000	939	808
AltaLink LP 4.742% 05-22-2054	132,000	132	136
AltaLink LP 5.463% 10-11-2055	136,000	136	157
Artis REIT 5.60% 04-29-2025	200,000	200	200
ATCO Ltd. Floating Rate 11-01-2078	858,000	849	878
Athene Global Funding 3.127% 03-10-2025	194,000	194	194
Bank of Montreal 2.37% 02-03-2025	800,000	784	799
Bank of Montreal 4.30% 11-26-2025	63,000	63	63
Bank of Montreal 4.976% 07-03-2034	1,011,000	1,035	1,045
Bank of Montreal 5.625% 05-26-2082	1,200,000	1,167	1,213
Bank of Montreal 6.534% 10-27-2032	751,000	760	803
Bank of Montreal 7.057% 04-26-2028	295,000	296	312
Bell Canada 5.15% 11-14-2028	227,000	227	237
BMW Canada Inc. 3.99% 10-10-2028	110,000	110	111
Brookfield Infrastructure Finance ULC 2.855% 09-01-2032	379,000	316	343
Brookfield Renewable Partners ULC 5.292% 10-28-2033	215,000	227	229
Brookfield Renewable Partners ULC 5.318% 01-10-2054	254,000	250	263

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Bruce Power LP 4.27% 12-21-2034	231,000	231	229
Bruce Power LP 4.70% 06-21-2031	240,000	240	249
Bruce Power LP 4.99% 12-21-2032	66,000	66	69
Calgary Airport Authority 3.554% 10-07-2051	467,000	386	399
Calgary Airport Authority 3.554% 10-07-2053	206,000	169	174
Cameco Corp. 4.94% 05-24-2031	76,000	76	79
Canadian Core Real Estate 3.299% 03-02-2027	217,000	217	214
Canadian Core Real Estate LP 4.482% 10-16-2029	177,000	177	179
Canadian Imperial Bank of Commerce 2.75% 03-07-2025	770,000	755	769
Canadian Imperial Bank of Commerce 4.20% 04-07-2032	207,000	203	209
Canadian Imperial Bank of Commerce 4.90% 06-12-2034	349,000	348	359
Canadian Imperial Bank of Commerce 5.30% 01-16-2034	291,000	291	304
Canadian Imperial Bank of Commerce 5.33% 01-20-2033	236,000	236	246
Canadian Imperial Bank of Commerce 5.35% 04-20-2033	216,000	216	225
Canadian Imperial Bank of Commerce 7.15% 07-28-2082	189,000	189	198
Canadian National Railway Co. 4.40% 05-10-2033	790,000	787	812
Canadian National Railway Co. 4.70% 05-10-2053	530,000	541	542
Canadian Natural Resources Ltd. 4.15% 12-15-2031	73,000	73	73
Canadian Western Bank 3.859% 04-21-2025	324,000	324	324
Canadian Western Bank 4.571% 07-11-2028	86,000	86	89
Canadian Western Bank 5.00% 07-31-2081	880,000	700	877
Canadian Western Bank 5.937% 12-22-2032	101,000	101	107
Canadian Western Bank 5.949% 01-29-2034	162,000	162	173
Capital Power Corp. 4.986% 01-23-2026	180,000	192	182
Cascades Inc./Cascades USA Inc. 5.125% 01-15-2025	66,000	66	66
Central 1 Credit Union 2.391% 06-30-2031	500,000	501	488
Central 1 Credit Union 4.648% 02-07-2028	230,000	230	235
Central 1 Credit Union 5.877% 11-10-2026	166,000	166	172
CES Energy Solutions Corp. 6.875% 05-24-2029	15,000	15	15
CGI Inc. 4.147% 09-05-2029	184,000	184	186
Choice Properties REIT 2.456% 11-30-2026	118,000	118	116
Choice Properties REIT 3.532% 06-11-2029	510,000	476	502
Choice Properties REIT 5.40% 03-01-2033	501,000	502	530
Choice Properties REIT 5.699% 02-28-2034	266,000	265	287

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Coast Capital Savings Federal Credit Union 4.517% 10-18-2027	2,011,000	2,012	2,026
Coast Capital Savings Federal Credit Union 8.875% 05-02-2033	202,000	202	213
Coastal Gaslink Pipeline LP 4.691% 09-30-2029	177,000	177	185
Coastal Gaslink Pipeline LP 5.187% 09-30-2034	212,000	212	228
Cogeco Communications Inc. 2.991% 09-22-2031	1,105,000	1,031	1,020
Cogeco Communications Inc. 6.125% 02-27-2029	250,000	250	258
Cologix Data Centers Issuer LLC 4.94% 01-25-2052	16,000	16	16
Cologix Data Centers Issuer LLC 5.68% 01-25-2052	13,000	13	12
Corus Entertainment Inc. 5.00% 05-11-2028	38,000	38	18
Crombie REIT 2.686% 03-31-2028	175,000	175	169
Crombie REIT 3.133% 08-12-2031	104,000	104	96
CU Inc. 4.773% 09-14-2052	154,000	154	159
Curaleaf Holdings Inc. 8.00% 12-15-2026	110,000	141	152
Dollarama Inc. 5.084% 10-27-2025	60,000	60	61
Dream Industrial REIT 2.539% 12-07-2026	156,000	156	153
Dream Industrial REIT 3.968% 04-13-2026	74,000	74	74
Dream Industrial REIT 5.383% 03-22-2028	76,000	76	79
Dream Summit Industrial LP 4.507% 02-12-2031	59,000	59	59
Enbridge Gas Distribution Inc. 3.51% 11-29-2047	168,000	142	141
Enbridge Gas Inc. 4.55% 08-17-2052	188,000	187	185
Enbridge Gas Inc. 5.70% 10-06-2033	316,000	325	352
Enbridge Pipelines Inc. 4.20% 05-12-2051	799,000	683	701
Enbridge Pipelines Inc. 4.33% 02-22-2049	46,000	48	41
Energir LP 4.67% 09-27-2032	174,000	174	180
ENMAX Corp. 4.695% 10-09-2034	163,000	163	164
EPCOR Utilities Inc. 3.554% 11-27-2047	743,000	692	637
Equitable Bank 3.362% 03-02-2026	172,000	172	171
Federation des Caisses Desjardins du Quebec 1.093% 01-21-2026	780,000	780	763
Federation des Caisses Desjardins du Quebec 3.804% 09-24-2029	264,000	264	264
Federation des Caisses Desjardins du Quebec 5.035% 08-23-2032	496,000	496	511
Federation des Caisses Desjardins du Quebec 5.20% 10-01-2025	340,000	340	344
Federation des Caisses Desjardins du Quebec 5.279% 05-15-2034	322,000	322	336
First Capital REIT 4.513% 06-03-2030	118,000	118	119
First Capital REIT 5.455% 06-12-2032	125,000	125	131

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
First National Financial Corp. 6.261% 11-01-2027	128,000	128	134
First West Credit Union 9.186% 08-09-2033	184,000	184	208
Ford Credit Canada Co. 4.613% 09-13-2027	441,000	442	446
Ford Credit Canada Co. 5.441% 02-09-2029	400,000	399	415
Ford Credit Canada Co. 6.777% 09-15-2025	400,000	400	408
Fortis Inc. 4.171% 09-09-2031	397,000	397	400
FortisAlberta Inc. 4.618% 05-30-2052	527,000	526	531
FortisBC Energy Inc. 4.67% 11-28-2052	112,000	112	113
General Motors Financial of Canada Ltd. 5.00% 02-09-2029	224,000	224	232
George Weston Ltd. 4.193% 09-05-2029	216,000	216	219
GFL Environmental Inc. 3.50% 09-01-2028 144A	147,000	185	199
Gibson Energy Inc. 4.45% 11-12-2031	130,000	130	132
Gibson Energy Inc. 5.25% 12-22-2030	198,000	198	193
Granite REIT Holdings LP 3.062% 06-04-2027	258,000	241	254
H&R REIT 4.071% 06-16-2025	58,000	63	58
Hyundai Capital Canada Inc. 4.895% 01-31-2029	333,000	333	345
iA Financial Corp. Inc. 4.131% 12-05-2034	62,000	62	62
iA Financial Corp. Inc. 5.685% 06-20-2033	150,000	150	159
Intact Financial Corp. 2.954% 12-16-2050	2,059,000	1,478	1,543
Intact Financial Corp. 4.125% 03-31-2081	563,000	492	558
Inter Pipeline Ltd. 3.983% 11-25-2031	370,000	370	356
Inter Pipeline Ltd. 6.625% 11-19-2079	20,000	19	20
Inter Pipeline Ltd. 6.875% 03-26-2079	261,000	259	268
Keyera Corp. 3.959% 05-29-2030	406,000	398	405
Keyera Corp. 5.95% 03-10-2081	68,000	65	69
Kruger Packaging Holdings LP 6.00% 06-01-2026	66,000	66	66
Laurentian Bank of Canada 4.60% 09-02-2025	302,000	302	304
Loblaw Companies Ltd. 5.008% 09-13-2032	208,000	208	220
Loblaw Companies Ltd. 5.336% 09-13-2052	678,000	645	722
Lower Mattagami Energy LP 4.691% 06-07-2054	150,000	150	153
Manulife Financial Corp. 4.064% 12-06-2034	136,000	136	136
National Bank of Canada 1.573% 08-18-2026	98,000	98	97
National Bank of Canada 4.05% 08-15-2081	727,000	717	702
National Bank of Canada 4.30% 11-15-2025	532,000	530	531

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
National Bank of Canada 5.279% 02-15-2034	172,000	172	179
National Bank of Canada 5.426% 08-16-2032	489,000	489	508
National Bank of Canada 7.50% 11-16-2082	454,000	454	481
North West Redwater Partnership 3.70% 02-23-2043	235,000	194	207
North West Redwater Partnership 4.15% 06-01-2033	200,000	201	200
North West Redwater Partnership 4.35% 01-10-2039	600,000	568	588
North West Redwater Partnership/NWR Financing Co. Ltd. 4.85% 06-01-2034	204,000	204	213
Parkland Corp. of Canada 4.375% 03-26-2029	437,000	437	423
Parkland Corp. of Canada 6.00% 06-23-2028	196,000	195	197
Pembina Pipeline Corp. 4.75% 04-30-2043	580,000	517	551
Pembina Pipeline Corp. 4.80% 01-25-2031	900,000	862	864
Pembina Pipeline Corp. 4.81% 03-25-2044	134,000	146	128
Pembina Pipeline Corp. 5.67% 01-12-2054	218,000	218	234
Prologis LP 5.25% 01-15-2031	47,000	46	50
Reliance LP 2.68% 12-01-2027	297,000	297	288
Reliance LP 5.25% 05-15-2031	950,000	999	991
RioCan REIT 1.974% 06-15-2026	352,000	352	345
RioCan REIT 2.829% 11-08-2028	216,000	201	207
Rogers Communications Inc. 4.25% 12-09-2049	624,000	525	545
Rogers Communications Inc. 5.00% 12-17-2081	500,000	500	501
Rogers Communications Inc. 5.90% 09-21-2033	1,022,000	1,035	1,123
Royal Bank of Canada 2.088% 06-30-2030	593,000	588	589
Royal Bank of Canada 2.14% 11-03-2031	448,000	435	436
Royal Bank of Canada 4.464% 10-17-2035	153,000	153	156
Royal Bank of Canada 5.01% 02-01-2033	276,000	276	285
Royal Bank of Canada 5.096% 04-03-2034	360,000	360	375
Sagen MI Canada Inc. 4.95% 03-24-2081	141,000	141	131
Sienna Senior Living Inc. 2.82% 03-31-2027	77,000	77	75
Sienna Senior Living Inc. 4.436% 10-17-2029	66,000	66	67
South Bow Canadian Infrastructure Holdings Ltd. 4.323% 02-01-2030	99,000	99	100
South Bow Canadian Infrastructure Holdings Ltd. 4.616% 02-01-2032	164,000	164	166
Stella-Jones Inc. 4.312% 10-01-2031	166,000	166	166
Sun Life Financial Inc. 2.80% 11-21-2033	340,000	340	329
Sun Life Financial Inc. 5.12% 05-15-2036	200,000	200	211

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Sun Life Financial Inc. 5.50% 07-04-2035	481,000	491	516
Superior Plus LP 4.25% 05-18-2028	460,000	457	437
Tamarack Valley Energy Ltd. 7.25% 05-10-2027	26,000	24	26
TELUS Corp. 4.65% 08-13-2031	110,000	110	113
TELUS Corp. 4.95% 02-18-2031	620,000	618	645
TELUS Corp. 4.95% 03-28-2033	135,000	135	139
Teranet Holdings LP 3.719% 02-23-2029	247,000	247	240
The Bank of Nova Scotia 1.95% 01-10-2025	800,000	799	800
The Bank of Nova Scotia 2.16% 02-03-2025	100,000	95	100
The Bank of Nova Scotia 3.836% 09-26-2030	505,000	504	506
The Bank of Nova Scotia 3.934% 05-03-2032	274,000	274	275
The Bank of Nova Scotia 4.442% 11-15-2035	76,000	76	77
The Bank of Nova Scotia 4.68% 02-01-2029	231,000	231	240
The Bank of Nova Scotia 4.95% 08-01-2034	284,000	283	293
The Bank of Nova Scotia 5.679% 08-02-2033	182,000	182	192
The Empire Life Insurance Co. 3.625% 04-17-2026	387,000	382	349
The Empire Life Insurance Co. 5.503% 01-13-2033	140,000	140	146
The Toronto-Dominion Bank 1.943% 03-13-2025	300,000	295	299
The Toronto-Dominion Bank 2.667% 09-09-2025	132,000	126	131
The Toronto-Dominion Bank 3.06% 01-26-2032	560,000	593	553
The Toronto-Dominion Bank 4.423% 10-31-2035	478,000	478	483
The Toronto-Dominion Bank 5.177% 04-09-2034	309,000	309	322
TMX Group Ltd. 4.678% 08-16-2029	133,000	133	139
Tourmaline Oil Corp. 2.529% 02-12-2029	121,000	121	115
Toyota Credit Canada Inc. 3.73% 10-02-2029	251,000	251	251
Transcontinental Inc. 2.667% 02-03-2025	481,000	476	481
Union Gas Ltd. 4.20% 06-02-2044	258,000	241	243
Vancouver Airport Authority 1.76% 09-20-2030	277,000	277	250
Ventas Canada Finance Ltd. 3.30% 12-01-2031	527,000	476	492
Ventas Canada Finance Ltd. 5.10% 03-05-2029	10,000	10	10
Veren Inc. 4.968% 06-21-2029	244,000	244	252
Videotron Ltd. 3.125% 01-15-2031	230,000	230	216
Videotron Ltd. 3.625% 06-15-2028	306,000	306	304

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Whitecap Resources Inc. 4.382% 11-01-2029	195,000	195	197
Total Corporate - Non-convertible		63,251	64,590
Corporate - Convertible			
The Cannabist Company Holdings Inc. 6.00% 06-29-2025 Conv.	13,000	16	14
Total Corporate - Convertible		16	14
Total Canadian Bonds		63,506	64,854
United States Bonds			
Corporate - Non-convertible			
Athene Global Funding 5.113% 03-07-2029	111,000	111	116
Bank of America Corp. 3.615% 03-16-2028	238,000	238	238
Charter Communications Operating LLC/Charter Communications Operating Capital Corp. 6.15% 11-10-2026	129,000	177	189
DIRECTV Holdings LLC/DIRECTV Financing Co. 5.875% 08-15-2027 144A	21,000	26	29
Go Daddy Operating Co. LLC/GD Finance Co. Inc. 3.50% 03-01-2029 144A	5,000	6	7
JPMorgan Chase & Co. 1.896% 03-05-2028	599,000	599	579
LGI Homes Inc. 8.75% 12-15-2028 144A	5,000	7	8
Tenet Healthcare Corp. 4.375% 01-15-2030	20,000	27	27
The Goldman Sachs Group Inc. 2.013% 02-28-2028	180,000	180	171
T-Mobile USA Inc. 3.75% 04-15-2027	600,000	764	843
Univision Communications Inc. 4.50% 05-01-2029 144A	26,000	32	33
Total Corporate - Non-convertible		2,167	2,240
Total United States Bonds		2,167	2,240
Global Bonds			
Cayman Islands			
Country Garden Holdings Co. Ltd. 2.70% 07-12-2026	200,000	171	30

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Global Bonds (continued)			
Cayman Islands (continued)			
Kaisa Group Holdings Ltd. 10.50% 09-07-2022 ⁽¹⁾	200,000	168	18
Sunac China Holdings Ltd. 1.00% 09-30-2032	23,991	8	4
Japan			
Renesas Electronics Corp. 2.17% 11-25-2026	219,000	276	299
Jersey			
Heathrow Funding Ltd. 2.694% 10-13-2027	602,000	569	588
Heathrow Funding Ltd. 3.726% 04-13-2033	391,000	362	372
Liberia			
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	90,000	125	129
United Kingdom			
Anglian Water Services Financing PLC 4.525% 08-26-2032	122,000	122	120
Total Global Bonds		1,801	1,560
Total Bonds		67,474	68,654
Canadian Preferred Stock			
Communication Services			
BCE Inc. 2.75% Preferred	351	5	5
BCE Inc. 3.61% Preferred	1,956	30	33
BCE Inc. 4.13% Preferred	112	2	2
Consumer Staples			
Loblaw Companies Ltd. 5.30% Preferred	434	11	11
Energy			
TransAlta Corp. 4.027% Preferred	340	6	7

⁽¹⁾ This security was past due as at December 31, 2024. The term-to-maturity for this security is disclosed as 1 year or less in the Interest Rate Risk note within the Notes to the Schedule of Investment Portfolio.

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Preferred Stock (continued)			
Financials			
Brookfield Corp. 4.80% Preferred Conv.	1,113	28	27
Utilities			
Emera Inc. 4.25% Preferred	107	3	2
Emera Inc. 4.60% Preferred	985	25	19
TransAlta Corp. 2.709% Preferred	945	12	15
Total Canadian Preferred Stock		122	121
Global Preferred Stock			
Bermuda			
Brookfield Renewable Partners LP 5.00% Preferred	869	21	20
Total Global Preferred Stock		21	20
Total Stocks		143	141

Corporate Bond Fund (PIM) SF817

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, contracts, shares, par value or contract price)

As at December 31, 2024

Schedule of Derivative Contracts

Forward Currency Contracts

Contract Price	Settlement Date	Purchased Currency		Sold Currency		Unrealized Gain (Loss)
		Currency	Value as at December 31	Currency	Value as at December 31	
0.7137	January 10, 2025	United States Dollar	1,021	Canadian Dollar	995	26
0.7118	January 10, 2025	United States Dollar	272	Canadian Dollar	266	6
0.7138	January 10, 2025	United States Dollar	145	Canadian Dollar	141	4
0.7137	January 17, 2025	United States Dollar	1,048	Canadian Dollar	1,021	27
0.7140	January 24, 2025	United States Dollar	79	Canadian Dollar	77	2
0.7142	January 24, 2025	United States Dollar	23	Canadian Dollar	22	1
0.7149	February 28, 2025	United States Dollar	700	Canadian Dollar	683	17
Derivatives - Assets						83
1.3656	January 10, 2025	Canadian Dollar	569	United States Dollar	590	(21)
1.3506	January 10, 2025	Canadian Dollar	1,378	United States Dollar	1,440	(62)
1.3761	January 17, 2025	Canadian Dollar	3,698	United States Dollar	3,811	(113)
1.3640	January 24, 2025	Canadian Dollar	31	United States Dollar	33	(2)
1.3758	January 24, 2025	Canadian Dollar	109	United States Dollar	112	(3)
1.3854	February 7, 2025	Canadian Dollar	402	United States Dollar	412	(10)
1.3923	February 21, 2025	Canadian Dollar	975	United States Dollar	996	(21)
Derivatives - Liabilities						(232)
Total Forward Currency Contracts						(149)

Futures Contracts

No. of Contracts	Average Contract Price	Futures Contracts	Maturity Date	Notional Amount	Price as at December 31	Unrealized Gain (Loss)
(8)	CAD 122.75	US ULTRA BOND 03-31-2025	March 31, 2025	USD 951	CAD 118.91	4
20	CAD 120.41	CAN 10YR BOND 03-31-2025	March 31, 2025	CAD 2,452	CAD 122.61	3
20	CAD 111.76	CAN 5YR BOND 03-31-2025	March 31, 2025	CAD 2,265	CAD 113.27	2
Derivatives - Assets						9
Total Futures Contracts						9

Total Derivative Instruments at Fair Value

(140)

Total Investments

67,617

68,655

Corporate Bond Fund (PIM) SF817

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Corporate Bond Fund (PIM) SF817 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The classifications used on the Schedule of Investment Portfolio for the financial instruments are based on the country of issue.

Corporate Bond Fund (PIM) SF817

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Currency Risk (continued)

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 in Canadian dollar terms, including the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets attributable to contractholders, all other variables held constant, as a result of a 1% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be significant.

2024					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 51	\$ —	\$ 51	\$	1
Other Currencies	—	4	4		—
Total	\$ 51	\$ 4	\$ 55	\$	1
As Percent of Net Assets Attributable to Contractholders			0.1%		—%

*Includes both monetary and non-monetary instruments

2023					
Currency	Investments	Cash, Short-term Deposits and Overdrafts	Total*	Impact on Net Assets Attributable to Contractholders	
United States Dollar	\$ 12	\$ 51	\$ 63	\$	1
Other Currencies	—	(10)	(10)		—
Total	\$ 12	\$ 41	\$ 53	\$	1
As Percent of Net Assets Attributable to Contractholders			—%		—%

*Includes both monetary and non-monetary instruments

D. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 5,964	\$ 16,562	\$ 25,023	\$ 21,105	\$ 68,654

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ 718	\$ 65,430	\$ 50,178	\$ 42,682	\$ 159,008

Corporate Bond Fund (PIM) SF817

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

D. Interest Rate Risk (continued)

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$3,747 (\$9,189 at December 31, 2023) or approximately 5.2% (5.6% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

E. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AA	0.6	0.5	2.1	2.0
A	35.4	33.9	40.1	38.7
BBB	50.0	47.7	49.1	47.4
BB and lower	13.6	13.0	8.5	8.2
NR *	0.4	0.3	0.2	0.2
Total	100.0	95.4	100.0	96.5

*Bonds disclosed as NR are mortgage backed securities or privately placed bonds or bonds that have not been rated by a rating agency.

Corporate Bond Fund (PIM) SF817

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

F. Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For the Fund, the most significant exposure to other price risk arises from its investment in equity securities. As at December 31, 2024, had the prices on the respective stock exchanges for these securities increased or decreased by 1%, with all other variables held constant, assets would have increased (or decreased) by approximately \$1 (\$30 at December 31, 2023) or approximately 0.0% (0.0% at December 31, 2023) of total net assets attributable to contractholders. In practice, the actual results may differ and the difference could be significant.

G. Fair Value Classification

The following table presents information about the Fund's assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

2024				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 68,612	\$ 42	\$ 68,654
Stocks	141	—	—	141
Derivatives	10	82	—	92
Total assets measured at fair value	\$ 151	\$ 68,694	\$ 42	\$ 68,887
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 232	\$ —	\$ 232
Net assets attributable to contractholders measured at fair value	\$ 151	\$ 68,462	\$ 42	\$ 68,655

⁽¹⁾ Excludes collateral pledged to counterparties of \$158.

2023				
Assets and Liabilities Measured at Fair Value				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Bonds	\$ —	\$ 158,968	\$ 40	\$ 159,008
Stocks	3,018	—	—	3,018
Derivatives	16	211	—	227
Total assets measured at fair value	\$ 3,034	\$ 159,179	\$ 40	\$ 162,253
Liabilities measured at fair value				
Derivatives ⁽¹⁾	\$ —	\$ 118	\$ —	\$ 118
Net assets attributable to contractholders measured at fair value	\$ 3,034	\$ 159,061	\$ 40	\$ 162,135

⁽¹⁾ Excludes collateral pledged to counterparties of \$86.

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Corporate Bond Fund (PIM) SF817

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

G. Fair Value Classification (continued)

The following table presents additional information about assets measured at fair value on a recurring basis and for which the Fund has utilized Level 3 inputs to determine fair value:

	2024	2023
	Bonds	Bonds
Balance, beginning of year	\$ 40	\$ 44
Total gain (loss) included in net assets from operations attributable to contractholders	2	(4)
Purchases	—	—
Sales	—	—
Settlements	—	—
Transfers into Level 3	—	—
Transfers out of Level 3	—	—
Balance, end of year	\$ 42	\$ 40
Total gain (loss) included in net gain (loss) on investments for Level 3 assets held at the end of year	\$ 2	\$ (4)

Corporate Bond Fund (PIM) SF817

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	580,688	485,836	505,797	610,228	539,880	6,737	5,325	5,220	7,085	6,515
75/100 guarantee policy	1,054,347	924,547	788,281	896,264	884,502	12,079	10,017	8,051	10,310	10,586
100/100 guarantee policy	148,578	177,674	61,584	53,424	59,940	1,670	1,892	619	606	708
PS1 75/75 guarantee policy	743,070	520,380	470,089	451,339	423,183	9,194	6,047	5,115	5,493	5,322
PS1 75/100 guarantee policy	1,588,994	1,139,226	676,904	665,112	607,922	19,414	13,087	7,289	8,020	7,583
PS1 100/100 guarantee policy	135,794	99,180	7,036	9,284	22,225	1,628	1,120	75	110	274
PS2 75/75 guarantee policy	84,059	85,300	55,786	58,477	79,526	1,250	1,172	706	815	1,127
PS2 75/100 guarantee policy	366,529	242,080	259,025	310,460	353,933	5,453	3,328	3,281	4,328	5,018
PS2 100/100 guarantee policy	20,967	19,687	—	1,075	1,094	312	270	—	15	16
PS 75/75 guarantee policy	99,708	63,592	32,076	37,785	49,588	1,106	663	313	413	560
PS 75/100 guarantee policy	100,391	68,775	57,759	50,358	52,092	1,106	713	561	548	586
PPS 75/75 guarantee policy	249,224	148,833	31,119	12,408	23,915	2,870	1,600	312	138	274
PPS 75/100 guarantee policy	186,742	141,288	146,465	115,165	82,748	2,135	1,510	1,459	1,278	945
PPS 100/100 guarantee policy	—	—	—	—	276	—	—	—	—	3

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.60	10.96	10.32	11.61	12.07	0.64	0.64
75/100 guarantee policy	11.46	10.83	10.21	11.50	11.97	0.63	0.62
100/100 guarantee policy	11.24	10.65	10.05	11.34	11.82	0.59	0.60
PS1 75/75 guarantee policy	12.37	11.62	10.88	12.17	12.58	0.75	0.74
PS1 75/100 guarantee policy	12.22	11.49	10.77	12.06	12.47	0.73	0.72
PS1 100/100 guarantee policy	11.99	11.29	10.60	11.89	12.33	0.70	0.69
PS2 75/75 guarantee policy	14.87	13.74	12.66	13.93	14.17	1.13	1.08
PS2 75/100 guarantee policy	14.88	13.75	12.67	13.94	14.18	1.13	1.08
PS2 100/100 guarantee policy	14.87	13.74	—	13.93	14.17	1.13	1.08
PS 75/75 guarantee policy	11.10	10.42	9.76	10.92	11.29	0.68	0.66
PS 75/100 guarantee policy	11.02	10.36	9.71	10.88	11.26	0.66	0.65
PPS 75/75 guarantee policy	11.51	10.75	10.01	11.14	11.45	0.76	0.74
PPS 75/100 guarantee policy	11.43	10.69	9.96	11.10	11.42	0.74	0.73
PPS 100/100 guarantee policy	—	—	—	—	11.37	—	—

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds and Stocks

Bonds and stocks are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Derivatives

Derivatives are classified and measured at fair value. Derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of transparency. When models are used, the selection of a particular model to value a derivative depends on the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures volatility, prepayment rates and correlations of such inputs.

f) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

g) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Dividend income - accrued as of the ex-dividend date and recorded on the accrual basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

h) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

j) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

k) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

l) Income Allocation

Net gain (loss) on investments, which includes dividend income, interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

n) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

o) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

The NAV per unit for group contractholders has not been shown because it will vary for each sub-class within the group contractholder class based on negotiated expense levels and other factors.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts, including forward currency, futures and equity swap contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date. Options are recorded at fair value as at the reporting date. The Fund may use derivative contracts to hedge against losses caused by changes in securities prices, interest rates, exchange rates and/or other risks. The Fund may also use derivative contracts for non-hedging purposes in order to invest indirectly in financial markets or to gain exposure to other currencies, provided the use of such derivatives is consistent with the Fund's investment objectives and strategies. Foreign currency risk and exposure may be direct or indirect and can include all or a portion of the currency exposure of an existing investment or group of investments. Any such gain or loss on derivative contracts is recorded as part of net gain (loss) on investments.

As at the reporting date, the unrealized gain (loss) on derivative contracts is reflected on the Statement of Financial Position of the Fund.

The Fund manages derivative credit risk through collateral arrangements where required. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Fund regarding the acceptability of types of collateral and the valuation parameters. The Fund Manager monitors the value of the collateral and requests additional collateral when needed.

Corporate Bond Fund (PIM) SF817

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Corporate Bond Fund (PIM) SF817

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.21	2.18	2.18	2.18	2.16
75/100 guarantee policy	2.32	2.29	2.29	2.29	2.27
100/100 guarantee policy	2.49	2.46	2.45	2.46	2.43
PS1 75/75 guarantee policy	1.63	1.61	1.61	1.61	1.59
PS1 75/100 guarantee policy	1.74	1.72	1.72	1.72	1.70
PS1 100/100 guarantee policy	1.91	1.88	1.89	1.89	1.86
PS 75/75 guarantee policy	1.64	1.63	1.63	1.63	1.61
PS 75/100 guarantee policy	1.76	1.74	1.73	1.74	1.72
PPS 75/75 guarantee policy	1.07	1.05	1.04	1.06	1.04
PPS 75/100 guarantee policy	1.18	1.16	1.16	1.16	1.15
PPS 100/100 guarantee policy	—	—	—	—	1.35

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	46.37	47.74	54.49	60.92	34.61

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
LONG TERM BOND FUND (PIM) SF818

December 31, 2024

Independent Auditor's Report

To the Contractholders of Long Term Bond Fund (PIM) SF818 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Long Term Bond Fund (PIM) SF818

(in Canadian \$ thousands)

Fund Manager: The Canada Life Assurance Company

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 402	\$ 24
Investment income due and accrued	143	212
Due from The Canada Life Assurance Company (note 7)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	23,915	37,142
Stocks	—	—
Investment fund units	—	—
Total investments	23,915	37,142
Total assets	\$ 24,460	\$ 37,378
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	4	10
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	4	10
Net assets attributable to contractholders	\$ 24,456	\$ 37,368

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 773	\$ 3,623
Miscellaneous income (loss)	5	8
Total income (loss)	778	3,631
Expenses		
Management fees (note 7)	17	20
Transaction costs	—	—
Withholding taxes	—	—
Other	2	2
Total expenses	19	22
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 759	\$ 3,609

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 37,368	\$ 34,385
Contractholder deposits	5,529	6,430
Contractholder withdrawals	(19,200)	(7,056)
Increase (decrease) in net assets from operations attributable to contractholders	759	3,609
Change in net assets attributable to contractholders	(12,912)	2,983
Net assets attributable to contractholders - end of year	\$ 24,456	\$ 37,368

Long Term Bond Fund (PIM) SF818

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	<u>2024</u>	<u>2023</u>
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 759	\$ 3,609
Adjustments		
Add back amortization of premium (discount)	—	(4)
Realized (gains) losses	1,826	2,068
Unrealized (gains) losses	(1,133)	(4,274)
Gross proceeds of disposition of investments	31,970	19,133
Gross payments for the purchase of investments	(19,436)	(20,482)
Change in investment income due and accrued	69	(20)
Change in due from/to The Canada Life Assurance Company	(6)	100
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	<u>14,049</u>	<u>130</u>
Financing Activities		
Contractholder deposits	5,529	6,430
Contractholder withdrawals	(19,200)	(7,056)
	<u>(13,671)</u>	<u>(626)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	378	(496)
Cash, short-term deposits and overdrafts, beginning of year	24	520
Cash, short-term deposits and overdrafts, end of year	\$ 402	\$ 24
Supplementary cash flow information		
Interest income received	\$ 1,526	\$ 1,386

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Canada Housing Trust No. 1 3.50% 12-15-2034	160,000	158	159
Government of Canada 1.75% 12-01-2053	635,000	451	450
Government of Canada 2.00% 12-01-2051	890,000	815	680
Government of Canada 2.75% 12-01-2048	250,000	263	226
Government of Canada 2.75% 12-01-2055	1,063,000	948	946
Government of Canada 2.75% 12-01-2064	206,000	273	184
Government of Canada 3.50% 12-01-2045	270,000	292	277
Government of Canada 4.00% 06-01-2041	270,000	295	294
Government of Canada 5.00% 06-01-2037	200,000	234	235
Labrador Island Link Funding Trust 3.85% 12-01-2053	150,000	181	143
Total Federal Government		3,910	3,594
Provincial Government			
Hydro-Quebec 2.10% 02-15-2060	355,000	259	219
Hydro-Quebec 4.00% 02-15-2055	150,000	185	144
Hydro-Quebec 5.00% 02-15-2045	120,000	130	132
Hydro-Quebec 5.00% 02-15-2050	85,000	89	95
Ontario Power Generation Inc. 4.99% 06-28-2054	90,000	92	95
Province of Alberta 2.95% 06-01-2052	200,000	155	160
Province of Alberta 3.05% 12-01-2048	300,000	284	246
Province of Alberta 3.10% 06-01-2050	330,000	306	272
Province of Alberta 3.30% 12-01-2046	240,000	241	208
Province of Alberta 3.45% 12-01-2043	40,000	44	36
Province of Alberta 4.45% 12-01-2054	100,000	101	104
Province of British Columbia 2.75% 06-18-2052	85,000	82	65
Province of British Columbia 2.80% 06-18-2048	110,000	112	86
Province of British Columbia 2.95% 06-18-2050	270,000	252	216
Province of British Columbia 3.20% 06-18-2044	80,000	68	69
Province of British Columbia 4.25% 12-18-2053	115,000	112	115
Province of British Columbia 4.30% 06-18-2042	100,000	118	101
Province of British Columbia 4.45% 12-18-2055	235,000	234	244
Province of British Columbia 4.95% 06-18-2040	100,000	106	109
Province of Manitoba 2.05% 09-05-2052	80,000	77	51

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Manitoba 3.20% 03-05-2050	210,000	242	174
Province of Manitoba 3.40% 09-05-2048	125,000	124	108
Province of Manitoba 4.40% 09-05-2055	55,000	54	56
Province of Manitoba 4.65% 03-05-2040	180,000	226	188
Province of New Brunswick 3.05% 08-14-2050	140,000	170	113
Province of New Brunswick 3.55% 06-03-2043	175,000	155	158
Province of New Brunswick 5.00% 08-14-2054	115,000	119	129
Province of Newfoundland and Labrador 2.65% 10-17-2050	70,000	67	51
Province of Newfoundland and Labrador 4.50% 04-17-2037	115,000	117	118
Province of Newfoundland and Labrador 4.60% 10-17-2055	25,000	25	26
Province of Newfoundland and Labrador 4.65% 10-17-2040	90,000	92	92
Province of Nova Scotia 3.15% 12-01-2051	120,000	125	98
Province of Nova Scotia 4.40% 06-01-2042	65,000	89	66
Province of Nova Scotia 4.75% 12-01-2054	40,000	40	43
Province of Ontario 1.90% 12-02-2051	355,000	285	226
Province of Ontario 2.55% 12-02-2052	440,000	349	323
Province of Ontario 2.65% 12-02-2050	560,000	513	424
Province of Ontario 2.80% 06-02-2048	325,000	302	257
Province of Ontario 2.90% 06-02-2049	405,000	396	324
Province of Ontario 2.90% 12-02-2046	620,000	549	503
Province of Ontario 3.45% 06-02-2045	550,000	596	492
Province of Ontario 3.50% 06-02-2043	455,000	464	414
Province of Ontario 3.75% 12-02-2053	475,000	438	441
Province of Ontario 4.15% 12-02-2054	330,000	315	328
Province of Ontario 4.60% 06-02-2039	385,000	410	405
Province of Ontario 4.60% 12-02-2055	285,000	304	306
Province of Ontario 4.65% 06-02-2041	300,000	387	317
Province of Ontario 4.70% 06-02-2037	315,000	376	336
Province of Prince Edward Island 2.65% 12-01-2051	100,000	106	73
Province of Prince Edward Island 4.65% 11-19-2037	55,000	56	57
Province of Quebec 2.85% 12-01-2053	295,000	252	228
Province of Quebec 3.10% 12-01-2051	450,000	442	370
Province of Quebec 3.50% 12-01-2045	400,000	426	358
Province of Quebec 3.50% 12-01-2048	435,000	463	386

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Provincial Government (continued)			
Province of Quebec 4.20% 12-01-2057	190,000	192	189
Province of Quebec 4.25% 12-01-2043	310,000	351	310
Province of Quebec 4.40% 12-01-2055	670,000	684	692
Province of Quebec 5.00% 12-01-2038	190,000	210	208
Province of Quebec 5.00% 12-01-2041	350,000	437	383
Province of Quebec 5.75% 12-01-2036	160,000	218	186
Province of Saskatchewan 3.10% 06-02-2050	100,000	97	82
Province of Saskatchewan 3.30% 06-02-2048	130,000	145	112
Province of Saskatchewan 3.75% 03-05-2054	60,000	71	55
Province of Saskatchewan 3.90% 06-02-2045	115,000	106	110
Province of Saskatchewan 4.20% 12-02-2054	175,000	177	175
Province of Saskatchewan 5.00% 03-05-2037	65,000	71	71
Total Provincial Government		14,880	13,328
Municipal Government			
City of Calgary 4.20% 06-01-2034	35,000	35	36
City of Montreal 3.15% 12-01-2036	60,000	56	54
City of Montreal 4.40% 12-01-2043	115,000	113	114
City of Ottawa 2.50% 05-11-2051	80,000	73	56
City of Toronto 2.15% 08-25-2040	100,000	93	75
City of Toronto 2.80% 11-22-2049	190,000	146	143
City of Toronto 2.90% 04-29-2051	45,000	34	34
City of Toronto 4.70% 06-10-2041	50,000	50	52
City of Toronto 4.90% 05-15-2054	45,000	45	48
City of Vancouver 3.70% 10-18-2052	45,000	39	40
Total Municipal Government		684	652
Corporate - Non-convertible			
407 International Inc. 3.83% 05-11-2046	115,000	119	104
407 International Inc. 4.54% 10-09-2054	140,000	138	140
407 International Inc. 4.86% 07-31-2053	115,000	117	121
Aéroports de Montreal 5.17% 09-17-2035	75,000	78	80

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Aéroports de Montreal 5.472% 04-16-2040	60,000	79	66
AltaLink LP 4.054% 11-21-2044	100,000	107	94
AltaLink LP 5.463% 10-11-2055	70,000	70	81
Bell Canada 3.50% 09-30-2050	50,000	43	38
Bell Canada 4.45% 02-27-2047	70,000	60	63
Bell Canada 5.60% 08-11-2053	65,000	66	69
British Columbia Ferry Services Inc. 4.289% 04-28-2044	80,000	88	78
British Columbia Ferry Services Inc. 5.581% 01-11-2038	35,000	38	39
Brookfield Renewable Partners ULC 5.318% 01-10-2054	50,000	50	52
Calgary Airport Authority 3.341% 10-07-2038	90,000	86	80
Calgary Airport Authority 3.554% 10-07-2053	55,000	47	46
Canadian National Railway Co. 3.60% 07-31-2048	70,000	58	60
Canadian National Railway Co. 3.95% 09-22-2045	80,000	79	73
Canadian National Railway Co. 4.70% 05-10-2053	45,000	45	46
Carleton University 3.264% 07-05-2061	100,000	100	74
Coastal Gaslink Pipeline 1st Lien 5.606% 03-30-2047	40,000	43	45
Coastal Gaslink Pipeline LP 5.395% 09-30-2036	100,000	105	109
Coastal Gaslink Pipeline LP 5.538% 06-30-2039	40,000	40	44
Coastal Gaslink Pipeline LP 5.607% 06-30-2044	60,000	64	67
Crosslinx Transit Solutions 4.651% 09-30-2046	25,347	24	24
CU Inc. 3.548% 11-22-2047	70,000	70	60
CU Inc. 3.763% 11-19-2046	85,000	67	76
CU Inc. 3.95% 11-23-2048	65,000	60	59
CU Inc. 4.543% 10-24-2041	125,000	138	125
CU Inc. 4.664% 09-11-2054	65,000	65	66
CU Inc. 5.556% 10-30-2037	25,000	27	28
Enbridge Gas Distribution Inc. 5.21% 02-25-2036	75,000	76	80
Enbridge Gas Inc. 4.55% 08-17-2052	35,000	35	34
Enbridge Pipelines Inc. 4.33% 02-22-2049	115,000	128	103
Enbridge Pipelines Inc. 4.55% 09-29-2045	50,000	44	47
Enbridge Pipelines Inc. 5.33% 04-06-2040	40,000	46	41
Enbridge Pipelines Inc. 5.35% 11-10-2039	40,000	39	41
Energir LP 4.83% 06-02-2053	45,000	45	47
EPCOR Utilities Inc. 5.326% 10-03-2053	100,000	102	112

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Fair Hydro Trust 3.52% 05-15-2038	105,000	117	98
Fortis Inc. 4.897% 05-27-2054	55,000	55	58
FortisAlberta Inc. 4.11% 09-29-2044	50,000	47	47
FortisAlberta Inc. 4.80% 10-27-2050	75,000	80	78
FortisAlberta Inc. 4.85% 09-11-2043	60,000	61	62
FortisAlberta Inc. 4.862% 05-26-2053	65,000	67	68
FortisBC Energy Inc. 3.67% 04-09-2046	40,000	37	35
FortisBC Energy Inc. 5.80% 05-13-2038	30,000	33	34
Greater Toronto Airports Authority 2.75% 10-17-2039	55,000	51	45
Greater Toronto Airports Authority 3.15% 10-05-2051	70,000	69	56
Greater Toronto Airports Authority 5.30% 02-25-2041	80,000	96	88
Hydro One Inc. 3.72% 11-18-2047	45,000	39	40
Hydro One Inc. 3.91% 02-23-2046	90,000	79	82
Hydro One Inc. 4.39% 09-26-2041	75,000	80	74
Hydro One Inc. 4.59% 10-09-2043	80,000	78	80
Hydro One Inc. 4.85% 11-30-2054	45,000	45	47
Hydro-Quebec 4.00% 02-15-2063	165,000	162	159
Hydro-Quebec 4.00% 02-15-2065	50,000	50	48
Loblaw Companies Ltd. 5.336% 09-13-2052	125,000	129	133
Loblaw Companies Ltd. 5.90% 01-18-2036	95,000	112	105
Loblaw Companies Ltd. 6.15% 01-29-2035	110,000	125	123
Metro Inc. 4.27% 12-04-2047	65,000	60	59
Metro Inc. 5.03% 12-01-2044	100,000	110	102
Metro Inc. 5.97% 10-15-2035	70,000	94	79
Montreal Port Authority 3.24% 03-22-2051	60,000	60	47
Municipal Finance Authority of British Columbia 2.50% 09-27-2041	100,000	85	79
NAV CANADA 3.293% 03-30-2048	35,000	29	29
North West Redwater Partnership 3.65% 06-01-2035	115,000	104	108
North West Redwater Partnership 3.70% 02-23-2043	80,000	68	70
North West Redwater Partnership 4.35% 01-10-2039	70,000	64	69
North West Redwater Partnership/NWR Financing Co. Ltd. 5.08% 06-01-2054	40,000	40	43
Pembina Pipeline Corp. 4.75% 03-26-2048	70,000	63	66
Pembina Pipeline Corp. 4.81% 03-25-2044	65,000	56	62
PSP Capital Inc. 4.25% 12-01-2055	55,000	55	55

Long Term Bond Fund (PIM) SF818

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds (continued)			
Corporate - Non-convertible (continued)			
Rogers Communications Inc. 5.25% 04-15-2052	115,000	113	116
Rogers Communications Inc. 6.75% 11-09-2039	55,000	62	64
Royal Bank of Canada 4.464% 10-17-2035	45,000	45	46
Ryerson University 3.542% 05-04-2061	140,000	140	111
South Coast British Columbia Transportation Authority 3.15% 11-16-2048	135,000	124	109
TELUS Corp. 4.40% 01-29-2046	80,000	66	72
TELUS Corp. 4.40% 04-01-2043	105,000	97	95
TELUS Corp. 4.85% 04-05-2044	110,000	107	105
The Bank of Nova Scotia 4.442% 11-15-2035	110,000	110	111
Toronto Hydro Corp. 4.08% 09-16-2044	80,000	75	76
Toronto Hydro Corp. 5.54% 05-21-2040	40,000	43	45
TransCanada PipeLines Ltd. 4.33% 09-16-2047	75,000	62	68
TransCanada PipeLines Ltd. 8.05% 02-17-2039	30,000	47	39
Union Gas Ltd. 3.59% 11-22-2047	60,000	62	51
Union Gas Ltd. 4.20% 06-02-2044	45,000	42	42
University of Ottawa 6.28% 04-15-2043	60,000	72	71
Vancouver Airport Authority 2.874% 10-18-2049	105,000	82	80
Total Corporate - Non-convertible		6,535	6,341
Total Canadian Bonds		26,009	23,915
Total Bonds		26,009	23,915
Total Investments		26,009	23,915

Long Term Bond Fund (PIM) SF818

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Long Term Bond Fund (PIM) SF818 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ —	\$ —	\$ 195	\$ 23,720	\$ 23,915

2023					
	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Total
Bonds	\$ —	\$ —	\$ 324	\$ 36,818	\$ 37,142

Long Term Bond Fund (PIM) SF818

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Interest Rate Risk (continued)

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$3,554 (\$5,570 at December 31, 2023) or approximately 14.5% (14.9% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

D. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AAA	2.0	1.9	1.4	1.4
AA	67.7	66.2	45.7	45.5
A	22.2	21.7	43.4	43.2
BBB	8.1	7.9	9.5	9.4
Total	100.0	97.7	100.0	99.5

Long Term Bond Fund (PIM) SF818

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 23,915	\$ —	\$ 23,915
Total assets measured at fair value	\$ —	\$ 23,915	\$ —	\$ 23,915

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 37,142	\$ —	\$ 37,142
Total assets measured at fair value	\$ —	\$ 37,142	\$ —	\$ 37,142

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Long Term Bond Fund (PIM) SF818

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	11,937	14,293	20,211	22,927	38,854	128	154	203	300	544
75/100 guarantee policy	33,070	32,523	41,385	56,397	138,837	347	344	409	728	1,920
100/100 guarantee policy	7,356	9,963	12,575	17,984	28,510	76	104	122	229	389
PS1 75/75 guarantee policy	3,863	4,671	4,961	8,592	23,833	44	53	53	118	348
PS1 75/100 guarantee policy	24,886	28,287	31,826	37,600	65,516	278	318	332	509	945
PS1 100/100 guarantee policy	—	—	—	—	3,192	—	—	—	—	45
PS2 75/75 guarantee policy	1,432	1,454	1,477	1,499	1,523	20	20	18	24	25
PS2 75/100 guarantee policy	—	—	—	25,692	40,593	—	—	—	404	668

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.70	10.78	10.04	13.09	14.01	(0.08)	0.74
75/100 guarantee policy	10.49	10.59	9.89	12.91	13.83	(0.10)	0.70
100/100 guarantee policy	10.28	10.40	9.72	12.71	13.65	(0.12)	0.68
PS1 75/75 guarantee policy	11.41	11.43	10.59	13.72	14.60	(0.02)	0.84
PS1 75/100 guarantee policy	11.19	11.23	10.42	13.53	14.42	(0.04)	0.81
PS1 100/100 guarantee policy	—	—	—	—	14.24	—	—
PS2 75/75 guarantee policy	13.71	13.51	12.32	15.72	16.45	0.20	1.19
PS2 75/100 guarantee policy	—	—	—	15.71	16.45	—	—

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds

Bonds are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Long Term Bond Fund (PIM) SF818

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by the Company. All investment transactions with the corresponding underlying funds are at quoted market prices.

Long Term Bond Fund (PIM) SF818

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.21	2.18	2.17	2.17	2.14
75/100 guarantee policy	2.38	2.35	2.34	2.35	2.30
100/100 guarantee policy	2.55	2.52	2.51	2.51	2.47
PS1 75/75 guarantee policy	1.63	1.61	1.61	1.62	1.58
PS1 75/100 guarantee policy	1.80	1.78	1.77	1.77	1.74
PS1 100/100 guarantee policy	—	—	—	—	1.92

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	54.78	55.07	44.69	56.32	40.39

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
NORTH AMERICAN HIGH YIELD BOND FUND (MF)
SF819

December 31, 2024

Independent Auditor's Report

To the Contractholders of North American High Yield Bond Fund (MF) SF819 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

North American High Yield Bond Fund (MF) SF819

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 60	\$ 412
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	31	153
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	44,021	30,887
Total investments	44,021	30,887
Total assets	\$ 44,112	\$ 31,452
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	68
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	68
Net assets attributable to contractholders	\$ 44,112	\$ 31,384

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,325	\$ 2,667
Miscellaneous income (loss)	—	—
Total income (loss)	3,325	2,667
Expenses		
Management fees (note 8)	668	478
Other	84	60
Total expenses	752	538
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,573	\$ 2,129

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 31,384	\$ 26,643
Contractholder deposits	16,625	7,932
Contractholder withdrawals	(6,470)	(5,320)
Increase (decrease) in net assets from operations attributable to contractholders	2,573	2,129
Change in net assets attributable to contractholders	12,728	4,741
Net assets attributable to contractholders - end of year	\$ 44,112	\$ 31,384

North American High Yield Bond Fund (MF) SF819

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,573	\$ 2,129
Adjustments		
Realized (gains) losses	192	521
Unrealized (gains) losses	(1,216)	(1,474)
Gross proceeds of disposition of investments	5,038	4,151
Gross payments for the purchase of investments	(14,847)	(5,691)
Distribution income of underlying mutual fund	(2,301)	(1,714)
Change in due from/to The Canada Life Assurance Company	122	(170)
Change in due from/to brokers	(68)	85
	<u>(10,507)</u>	<u>(2,163)</u>
Financing Activities		
Contractholder deposits	16,625	7,932
Contractholder withdrawals	(6,470)	(5,320)
	<u>10,155</u>	<u>2,612</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	(352)	449
Cash, short-term deposits and overdrafts, beginning of year	412	(37)
Cash, short-term deposits and overdrafts, end of year	\$ 60	\$ 412

North American High Yield Bond Fund (MF) SF819

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units)

As at December 31, 2024

	<u>No. of Units</u>	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units			
Mackenzie North American Corporate Bond Fund Series S *	5,237,685	45,278	44,021
Total Investments		45,278	44,021

Top 25 Holdings

Security Description	% of Total
Cash and short-term deposits	5.28%
Mackenzie Global Sustainable High Yield Bond Fund Series R *	2.99%
Mackenzie Global High Yield Fixed Income ETF *	1.92%
Mackenzie High Quality Floating Rate Fund Series R *	1.48%
Videotron Ltd. 3.625% 06-15-2028	1.02%
Keyera Corp. 6.875% 06-13-2029	1.01%
Northleaf Private Credit II LP MI 15 *	1.00%
Inter Pipeline Ltd. 6.875% 03-26-2079	0.96%
Sagard Credit Partners II LP *	0.91%
Enbridge Inc. 8.747% 01-15-2084	0.89%
TransCanada PipeLines Ltd. Floating Rate 05-18-2077	0.87%
Go Daddy Operating Co. LLC/GD Finance Co. Inc. 3.50% 03-01-2029 144A	0.80%
Rogers Communications Inc. 5.25% 03-15-2082 144A	0.79%
Enbridge Inc. 5.375% 09-27-2077	0.77%
Source Energy Services Ltd. 10.50% 03-15-2025	0.76%
Jazz Securities Designated Activity Co. 4.375% 01-15-2029 144A	0.73%
Coinbase Global Inc. 3.625% 10-01-2031 144A	0.70%
Pembina Pipeline Corp. 4.80% 01-25-2031	0.70%
The Toronto-Dominion Bank 5.75% 10-31-2027	0.67%
Centene Corp. 3.375% 02-15-2030	0.66%
Gartner Inc. 3.625% 06-15-2029	0.66%
Videotron Ltd. 3.125% 01-15-2031	0.66%
Baytex Energy Corp. 8.50% 04-30-2030 144A	0.63%
Lamb Weston Holdings Inc. 4.375% 01-31-2032	0.63%
Sealed Air Corp. 6.125% 02-01-2028 144A	0.63%

*The issuer of this security is a related company to the issuer of the Fund.

North American High Yield Bond Fund (MF) SF819

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	350,945	288,447	272,864	262,030	209,684	4,613	3,548	3,131	3,396	2,668
75/100 guarantee policy	917,312	774,274	644,192	622,296	504,684	11,775	9,327	7,258	7,943	6,341
100/100 guarantee policy	151,085	105,196	56,326	39,389	32,406	1,903	1,245	625	496	402
PS1 75/75 guarantee policy	393,320	205,174	150,552	204,627	131,397	5,459	2,654	1,809	2,766	1,736
PS1 75/100 guarantee policy	812,931	505,911	505,332	454,835	310,587	11,155	6,477	6,016	6,099	4,076
PS1 100/100 guarantee policy	270,616	129,364	47,114	29,688	9,954	3,641	1,627	552	392	129
PS2 75/75 guarantee policy	15,185	6,638	5,961	7,728	30,193	260	104	85	122	457
PS2 75/100 guarantee policy	59,582	47,933	48,394	48,499	66,549	1,021	751	691	765	1,007
PS2 100/100 guarantee policy	8,564	8,745	5,330	5,440	5,554	147	137	76	86	84
PS 75/75 guarantee policy	29,180	20,319	23,153	18,413	12,062	348	226	238	213	136
PS 75/100 guarantee policy	149,490	154,059	186,502	50,467	13,096	1,752	1,685	1,897	578	147
PS 100/100 guarantee policy	333	337	341	2,137	—	4	4	3	24	—
PPS 75/75 guarantee policy	50,096	25,812	31,253	13,271	8,792	615	293	328	156	100
PPS 75/100 guarantee policy	116,551	103,697	67,530	30,056	7,463	1,419	1,171	705	352	85

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.15	12.30	11.47	12.96	12.72	0.85	0.83
75/100 guarantee policy	12.84	12.05	11.27	12.76	12.56	0.79	0.78
100/100 guarantee policy	12.59	11.84	11.09	12.59	12.41	0.75	0.75
PS1 75/75 guarantee policy	13.88	12.94	12.01	13.52	13.22	0.94	0.93
PS1 75/100 guarantee policy	13.72	12.80	11.90	13.41	13.12	0.92	0.90
PS1 100/100 guarantee policy	13.45	12.57	11.71	13.21	12.95	0.88	0.86
PS2 75/75 guarantee policy	17.14	15.68	14.29	15.78	15.14	1.46	1.39
PS2 75/100 guarantee policy	17.14	15.68	14.29	15.78	15.13	1.46	1.39
PS2 100/100 guarantee policy	17.14	15.68	14.29	15.78	15.14	1.46	1.39
PS 75/75 guarantee policy	11.93	11.10	10.30	11.57	11.29	0.83	0.80
PS 75/100 guarantee policy	11.72	10.94	10.17	11.46	11.22	0.78	0.77
PS 100/100 guarantee policy	11.59	10.84	10.10	11.40	—	0.75	0.74
PPS 75/75 guarantee policy	12.27	11.37	10.50	11.75	11.42	0.90	0.87
PPS 75/100 guarantee policy	12.17	11.29	10.44	11.70	11.38	0.88	0.85

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The North American High Yield Bond Fund (MF) SF819 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in underlying mutual funds.

As the Fund's assets are invested in underlying investment funds, the Fund indirectly pays management fees and operating expenses of the underlying funds. All such charges are included in the management expense ratio of the segregated funds.

Distributions of income from the underlying investment funds are shown as net gain (loss) on investments on the Statement of Comprehensive Income.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Investments in unconsolidated structured entities

The Company has determined that the Fund meets the definition of an investment entity and as such, accounts for its holdings in unlisted open-ended investment funds at FVTPL. The Company has concluded that the underlying funds in which the Fund invests, but do not consolidate, meet the definition of structured entities because: (i) the voting rights in the underlying funds are not dominant rights in deciding who controls them; (ii) each underlying fund's activities are restricted by its prospectus; and (iii) the underlying funds have narrow and well-defined objectives to provide investment opportunities to investors.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

North American High Yield Bond Fund (MF) SF819

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, the Fund Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 1 classification.

North American High Yield Bond Fund (MF) SF819

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.31	2.29	2.29	2.30	2.26
75/100 guarantee policy	2.59	2.57	2.57	2.58	2.54
100/100 guarantee policy	2.76	2.74	2.73	2.74	2.70
PS1 75/75 guarantee policy	1.90	1.88	1.88	1.88	1.83
PS1 75/100 guarantee policy	2.01	1.99	1.99	1.99	1.94
PS1 100/100 guarantee policy	2.18	2.16	2.15	2.15	2.11
PS 75/75 guarantee policy	1.74	1.73	1.72	1.74	1.70
PS 75/100 guarantee policy	2.03	2.01	2.01	2.00	1.98
PS 100/100 guarantee policy	2.19	2.19	2.18	2.19	—
PPS 75/75 guarantee policy	1.33	1.32	1.31	1.32	1.28
PPS 75/100 guarantee policy	1.44	1.43	1.42	1.43	1.39

Unsubsidized Management Expense Ratio (%) ⁽²⁾

PS1 75/75 guarantee policy	1.90	1.88	1.88	1.88	1.86
PS1 75/100 guarantee policy	2.01	1.99	1.99	1.99	1.97
PS1 100/100 guarantee policy	2.18	2.16	2.15	2.15	2.14
PPS 75/75 guarantee policy	1.33	1.32	1.31	1.32	1.31
PPS 75/100 guarantee policy	1.44	1.43	1.42	1.43	1.42

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	13.50	14.41	17.54	14.99	17.87

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
REAL RETURN BOND FUND (PIM) SF820

December 31, 2024

Independent Auditor's Report

To the Contractholders of Real Return Bond Fund (PIM) SF820 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Real Return Bond Fund (PIM) SF820

(in Canadian \$ thousands)

Fund Manager: The Canada Life Assurance Company

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ 639	\$ 140
Investment income due and accrued	107	119
Due from The Canada Life Assurance Company (note 7)	—	4
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Bonds	56,926	68,923
Stocks	—	—
Investment fund units	—	—
Total investments	56,926	68,923
Total assets	\$ 57,672	\$ 69,186
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 7)	3	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	3	—
Net assets attributable to contractholders	\$ 57,669	\$ 69,186

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,347	\$ 1,662
Miscellaneous income (loss)	18	43
Total income (loss)	2,365	1,705
Expenses		
Management fees (note 7)	10	12
Transaction costs	—	—
Withholding taxes	—	—
Other	1	1
Total expenses	11	13
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,354	\$ 1,692

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 69,186	\$ 62,125
Contractholder deposits	7,057	10,968
Contractholder withdrawals	(20,928)	(5,599)
Increase (decrease) in net assets from operations attributable to contractholders	2,354	1,692
Change in net assets attributable to contractholders	(11,517)	7,061
Net assets attributable to contractholders - end of year	\$ 57,669	\$ 69,186

Real Return Bond Fund (PIM) SF820

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,354	\$ 1,692
Adjustments		
Add back amortization of premium (discount)	709	(1,736)
Realized (gains) losses	1,967	185
Unrealized (gains) losses	(3,492)	1,352
Gross proceeds of disposition of investments	15,570	3,428
Gross payments for the purchase of investments	(2,757)	(10,712)
Change in investment income due and accrued	12	(13)
Change in due from/to The Canada Life Assurance Company	7	64
Change in due from/to brokers	—	—
Change in due from/to outside parties	—	—
	14,370	(5,740)
Financing Activities		
Contractholder deposits	7,057	10,968
Contractholder withdrawals	(20,928)	(5,599)
	(13,871)	5,369
Net increase (decrease) in cash, short-term deposits and overdrafts	499	(371)
Cash, short-term deposits and overdrafts, beginning of year	140	511
Cash, short-term deposits and overdrafts, end of year	\$ 639	\$ 140
Supplementary cash flow information		
Interest income received	\$ 1,514	\$ 1,424

Real Return Bond Fund (PIM) SF820

Schedule of Investment Portfolio

(in Canadian \$ thousands, except number of units, shares or par value)

As at December 31, 2024

	No. of Units, Shares or <u>Par Value</u>	Average <u>Cost</u>	Fair <u>Value</u>
Canadian Bonds			
Federal Government			
Government of Canada 0.25% 12-01-2054 Real Return	1,655,000	1,512	1,363
Government of Canada 0.50% 12-01-2050 Real Return	5,375,000	5,942	5,244
Government of Canada 1.25% 12-01-2047 Real Return	5,395,000	7,395	6,691
Government of Canada 1.50% 12-01-2044 Real Return	5,340,000	8,147	7,415
Government of Canada 2.00% 12-01-2041 Real Return	4,565,000	7,720	7,102
Government of Canada 3.00% 12-01-2036 Real Return	3,305,000	6,207	6,100
Government of Canada 4.00% 12-01-2031 Real Return	3,980,000	8,848	8,317
Government of Canada 4.25% 12-01-2026 Real Return	2,765,000	5,600	5,399
Total Federal Government		51,371	47,631
Provincial Government			
Province of Ontario 2.00% 12-01-2036 Real Return	3,030,000	4,505	4,428
Province of Quebec 3.25% 12-01-2036 Real Return	806,000	1,315	1,238
Province of Quebec 4.25% 12-01-2031 Real Return	909,000	1,781	1,744
Province of Quebec 4.50% 12-01-2026 Real Return	994,000	1,931	1,885
Total Provincial Government		9,532	9,295
Total Canadian Bonds		60,903	56,926
Total Bonds		60,903	56,926
Total Investments		60,903	56,926

Real Return Bond Fund (PIM) SF820

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

Introduction

The objective of the Real Return Bond Fund (PIM) SF820 (the Fund) in managing risk is the creation and protection of contractholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund can be exposed to liquidity risk, market risk (which includes currency risk, interest rate risk and other price risk) and credit risk arising from the financial instruments it holds.

A. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. The following sections describe the significant risks that are relevant to the Fund.

To assist with managing risk, The Canada Life Assurance Company (Canada Life or the Company) maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations.

B. Liquidity Risk

Liquidity risk arises when a fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units by contractholders. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity to meet the obligation to fund daily cash redemptions of their redeemable units.

Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a fund to sell such securities quickly.

In accordance with the Fund's policy, the Company monitors the Fund's liquidity positions on a regular basis.

C. Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. The risk is professionally managed at the security and fund level by the Company.

The table below summarizes the Fund's exposure to interest rate risk by remaining term-to-maturity.

2024									
	1 year or less		Over 1 year to 5 years		Over 5 years to 10 years		Over 10 years		Total
Bonds	\$	—	\$	7,284	\$	10,061	\$	39,581	\$ 56,926

2023									
	1 year or less		Over 1 year to 5 years		Over 5 years to 10 years		Over 10 years		Total
Bonds	\$	—	\$	8,888	\$	11,761	\$	48,274	\$ 68,923

Real Return Bond Fund (PIM) SF820

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

C. Interest Rate Risk (continued)

As at December 31, 2024, had prevailing interest rates increased or decreased by 1% assuming a parallel shift in the yield curve, with all other variables held constant, net assets attributable to contractholders would have decreased or increased, respectively, by approximately \$3,604 (\$4,673 at December 31, 2023) or approximately 6.2% (6.8% at December 31, 2023). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be significant.

D. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the maximum credit risk exposure as at December 31, 2024. The amount of credit risk to any one issuer may be determined from the information reported in the Schedule of Investment Portfolio. The Fund may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low. The Company monitors credit risk and credit ratings on a regular basis. All new counterparties to financial instruments are subject to an approval process.

There was no change in fair values of financial liabilities as a result of changes in credit risks during 2024 or 2023.

All transactions in listed securities are settled and paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit ratings disclosed below are obtained from independent rating agencies including DBRS, Standard & Poor's, Moody's Investors Service and Fitch Ratings. The lowest rating provided by the agencies is used.

Debt securities by credit rating are as follows:

	2024		2023	
	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)	Percent of Total Bonds (%)	Percent of Total Net Assets Attributable to Contractholders (%)
AA	100.0	98.7	93.9	93.6
A	—	—	6.1	6.1
Total	100.0	98.7	100.0	99.7

Real Return Bond Fund (PIM) SF820

Notes to the Schedule of Investment Portfolio

(in Canadian \$ thousands)

E. Fair Value Classification

The following table presents information about the Fund's assets measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques utilized by the Fund to determine such fair value:

<u>Assets measured at fair value</u>	2024			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 56,926	\$ —	\$ 56,926
Total assets measured at fair value	\$ —	\$ 56,926	\$ —	\$ 56,926

<u>Assets measured at fair value</u>	2023			
	Assets Measured at Fair Value			
	Level 1	Level 2	Level 3	Total
Bonds	\$ —	\$ 68,923	\$ —	\$ 68,923
Total assets measured at fair value	\$ —	\$ 68,923	\$ —	\$ 68,923

There were no significant transfers between Level 1 and Level 2 during 2024 or 2023.

Real Return Bond Fund (PIM) SF820

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Portfolio units are allocated to each category as described in note 3 and are not included on this page.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	16,537	16,199	21,396	29,222	43,301	169	163	216	351	521
75/100 guarantee policy	19,203	21,085	27,828	35,351	47,761	191	207	275	416	565
100/100 guarantee policy	1,445	1,443	3,325	5,084	9,588	14	14	32	59	112
PS1 75/75 guarantee policy	3,529	7,125	4,052	4,150	2,552	38	76	43	52	32
PS1 75/100 guarantee policy	13,403	12,847	15,492	15,587	14,401	142	134	161	193	178
PPS 100/100 guarantee policy	—	—	—	—	283	—	—	—	—	3

Net Assets Attributable to Contractholders Per Unit (note 6)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.23	10.08	10.08	12.00	12.03	0.15	—
75/100 guarantee policy	9.96	9.84	9.87	11.78	11.84	0.12	(0.03)
100/100 guarantee policy	9.77	9.66	9.71	11.61	11.69	0.11	(0.05)
PS1 75/75 guarantee policy	10.84	10.62	10.58	12.53	12.50	0.22	0.04
PS1 75/100 guarantee policy	10.63	10.44	10.41	12.36	12.35	0.19	0.03
PPS 100/100 guarantee policy	—	—	—	—	11.38	—	—

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Fund is offered by The Canada Life Assurance Company.

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in fair value measurements in the notes to the Schedule of Investment Portfolio.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Bonds

Bonds are recorded at fair value determined with reference to closing quoted market prices, where the last traded price falls within the day's bid-ask spread, primarily provided by third party independent pricing sources. Fair values are determined on the basis of the closing price for a security on the recognized exchange on which it is principally traded at each reporting date. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point when the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of unlisted securities is established using quotations determined by a major dealer in a particular security. Should the quoted value for a security, in the opinion of the Fund Manager, be inaccurate, unreliable, or not readily available, the value of the security is estimated using valuation techniques. Valuation techniques include the market approach (using recent arm's-length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

Interest income on debt securities - included in the change in fair value of such investments and recorded on the accrual basis.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

Miscellaneous income (loss)

Miscellaneous income (loss) generally includes the changes in foreign exchange rates between trade and settlement dates, foreign exchange rates on bank balances, securities lending income, derivative income, and management fee rebates.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

k) Income Allocation

Net gain (loss) on investments, which includes interest income, realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the net asset value (NAV) per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are charged to expenses in the year.

n) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

3. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

Portfolio units are those units owned by the Asset Allocation Funds. Each Portfolio fund is represented by a separate category.

The categories of units, and the various levels within each, are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

4. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

5. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

6. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Real Return Bond Fund (PIM) SF820

Notes to the Financial Statements

(in Canadian \$ thousands)

7. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by the Company. All investment transactions with the corresponding underlying funds are at quoted market prices.

Real Return Bond Fund (PIM) SF820

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.05	2.05	2.06	2.06	2.07
75/100 guarantee policy	2.33	2.32	2.33	2.34	2.35
100/100 guarantee policy	2.50	2.49	2.50	2.50	2.53
PS1 75/75 guarantee policy	1.60	1.59	1.59	1.59	1.62
PS1 75/100 guarantee policy	1.76	1.76	1.76	1.76	1.78
PPS 100/100 guarantee policy	—	—	—	—	1.41

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.79	1.71	3.06	3.24	8.23

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
MONTHLY INCOME FUND (L) SF821

December 31, 2024

Independent Auditor's Report

To the Contractholders of Monthly Income Fund (L) SF821 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Monthly Income Fund (L) SF821

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	38,291	39,052
Total investments	38,291	39,052
Total assets	\$ 38,291	\$ 39,052
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 38,291	\$ 39,052

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,242	\$ 4,008
Miscellaneous income (loss)	—	—
Total income (loss)	5,242	4,008
Expenses		
Management fees (note 8)	612	654
Other	64	68
Total expenses	676	722
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,566	\$ 3,286

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 39,052	\$ 42,716
Contractholder deposits	18	24
Contractholder withdrawals	(5,345)	(6,974)
Increase (decrease) in net assets from operations attributable to contractholders	4,566	3,286
Change in net assets attributable to contractholders	(761)	(3,664)
Net assets attributable to contractholders - end of year	\$ 38,291	\$ 39,052

Monthly Income Fund (L) SF821

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,566	\$ 3,286
Adjustments		
Realized (gains) losses	(847)	(200)
Unrealized (gains) losses	(4,395)	(3,808)
Gross proceeds of disposition of investments	6,003	7,682
Gross payments for the purchase of investments	—	(10)
	<u>5,327</u>	<u>6,950</u>
Financing Activities		
Contractholder deposits	18	24
Contractholder withdrawals	(5,345)	(6,974)
	<u>(5,327)</u>	<u>(6,950)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Monthly Income Fund (L) SF821

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Maxxum Canadian Balanced Fund (Mackenzie) SF519	30,712	38,291
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	2.44%	
Mackenzie Global High Yield Fixed Income ETF *	2.40%	
Bank of Montreal	1.58%	
The Toronto-Dominion Bank	1.57%	
Cash and short-term deposits	1.51%	
Total Investments	30,712	38,291

*The issuer of this security is a related company to the issuer of the Fund.

Monthly Income Fund (L) SF821

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	196,215	259,325	294,128	302,648	282,013	2,848	3,372	3,552	3,989	3,474
75/100 guarantee policy	1,003,912	1,174,184	1,458,384	1,610,942	1,599,265	14,414	15,121	17,458	21,070	19,576
100/100 guarantee policy	28,675	32,767	46,194	59,859	54,537	405	416	546	774	661
PS1 75/75 guarantee policy	97,392	117,652	157,455	143,033	67,339	1,479	1,594	1,971	1,945	852
PS1 75/100 guarantee policy	320,769	364,413	454,254	494,201	350,391	4,793	4,864	5,614	6,646	4,392
PS1 100/100 guarantee policy	5,856	15,078	17,562	13,082	13,791	86	197	213	173	171
PS2 75/75 guarantee policy	—	2,667	5,704	—	8,730	—	44	84	—	125
PS2 75/100 guarantee policy	582,754	615,622	673,327	783,257	768,641	10,901	10,052	9,948	12,309	11,009
PS 75/75 guarantee policy	22,394	22,516	22,642	22,514	21,761	301	268	247	266	237
PS 75/100 guarantee policy	118,680	147,115	160,077	214,526	214,786	1,583	1,741	1,742	2,522	2,338
PPS 75/75 guarantee policy	3,674	3,708	3,741	3,776	—	51	45	42	45	—
PPS 75/100 guarantee policy	104,400	110,650	117,289	70,435	8,292	1,430	1,338	1,299	840	91

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	14.52	13.00	12.08	13.18	12.32	1.52	0.92
75/100 guarantee policy	14.36	12.88	11.97	13.08	12.24	1.48	0.91
100/100 guarantee policy	14.12	12.69	11.82	12.93	12.12	1.43	0.87
PS1 75/75 guarantee policy	15.19	13.55	12.52	13.60	12.66	1.64	1.03
PS1 75/100 guarantee policy	14.94	13.35	12.36	13.45	12.54	1.59	0.99
PS1 100/100 guarantee policy	14.62	13.08	12.14	13.24	12.37	1.54	0.94
PS2 75/75 guarantee policy	—	16.33	14.77	—	14.32	—	1.56
PS2 75/100 guarantee policy	18.71	16.33	14.77	15.71	14.32	2.38	1.56
PS 75/75 guarantee policy	13.44	11.91	10.93	11.80	10.91	1.53	0.98
PS 75/100 guarantee policy	13.34	11.83	10.88	11.76	10.88	1.51	0.95
PPS 75/75 guarantee policy	13.84	12.21	11.16	11.99	—	1.63	1.05
PPS 75/100 guarantee policy	13.69	12.10	11.08	11.92	10.99	1.59	1.02

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Monthly Income Fund (L) SF821 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Monthly Income Fund (L) SF821

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Monthly Income Fund (L) SF821

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.61	2.59	2.59	2.54	2.53
75/100 guarantee policy	2.72	2.70	2.70	2.65	2.64
100/100 guarantee policy	2.89	2.86	2.87	2.81	2.81
PS1 75/75 guarantee policy	2.15	2.13	2.13	2.08	2.07
PS1 75/100 guarantee policy	2.31	2.30	2.29	2.25	2.24
PS1 100/100 guarantee policy	2.54	2.52	2.51	2.47	2.49
PS 75/75 guarantee policy	1.50	1.49	1.48	1.44	1.43
PS 75/100 guarantee policy	1.61	1.60	1.60	1.55	1.54
PPS 75/75 guarantee policy	1.04	1.03	1.03	1.00	—
PPS 75/100 guarantee policy	1.21	1.20	1.19	1.14	1.15

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	—	0.02	114.51	75.81	28.77

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL MONTHLY INCOME FUND (L) SF822

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Monthly Income Fund (L) SF822 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Monthly Income Fund (L) SF822

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	45,376	29,892
Total investments	45,376	29,892
Total assets	\$ 45,376	\$ 29,892
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 45,376	\$ 29,892

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,324	\$ 2,529
Miscellaneous income (loss)	—	—
Total income (loss)	5,324	2,529
Expenses		
Management fees (note 8)	786	473
Other	85	52
Total expenses	871	525
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,453	\$ 2,004

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 29,892	\$ 18,182
Contractholder deposits	14,712	11,476
Contractholder withdrawals	(3,681)	(1,770)
Increase (decrease) in net assets from operations attributable to contractholders	4,453	2,004
Change in net assets attributable to contractholders	15,484	11,710
Net assets attributable to contractholders - end of year	\$ 45,376	\$ 29,892

Global Monthly Income Fund (L) SF822

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,453	\$ 2,004
Adjustments		
Realized (gains) losses	(232)	(52)
Unrealized (gains) losses	(5,092)	(2,477)
Gross proceeds of disposition of investments	1,958	1,625
Gross payments for the purchase of investments	(12,118)	(10,806)
	<u>(11,031)</u>	<u>(9,706)</u>
Financing Activities		
Contractholder deposits	14,712	11,476
Contractholder withdrawals	(3,681)	(1,770)
	<u>11,031</u>	<u>9,706</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Global Monthly Income Fund (L) SF822

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Global Strategic Income Fund 1.85MI	37,985	45,376
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	3.73%	
United States Treasury 4.38% 05-15-2034	3.44%	
United States Treasury 3.88% 08-15-2034	2.83%	
Mackenzie Global Corporate Fixed Income Fund Series CL *	2.82%	
Apple Inc.	2.61%	
Total Investments	37,985	45,376

*The issuer of this security is a related company to the issuer of the Fund.

Global Monthly Income Fund (L) SF822

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	342,717	288,311	254,161	209,499	176,306	4,733	3,537	2,873	2,608	2,070
75/100 guarantee policy	1,037,441	795,252	592,824	518,570	439,525	14,107	9,629	6,627	6,398	5,125
100/100 guarantee policy	49,488	48,084	42,808	36,073	40,825	664	576	474	441	473
PS1 75/75 guarantee policy	367,169	276,564	164,469	134,068	84,348	5,184	3,461	1,891	1,694	1,003
PS1 75/100 guarantee policy	1,024,766	684,407	278,458	225,920	175,992	14,273	8,462	3,169	2,829	2,077
PS1 100/100 guarantee policy	39,763	4,860	4,860	24,142	24,911	544	59	55	299	291
PS2 75/75 guarantee policy	96,014	29,348	4,049	1,629	55	1,636	433	53	23	1
PS2 75/100 guarantee policy	141,773	145,840	151,376	256,342	321,308	2,415	2,150	2,003	3,640	4,194
PS 75/75 guarantee policy	22,572	21,918	9,464	8,278	8,130	307	262	103	98	90
PS 75/100 guarantee policy	30,629	35,736	37,736	35,054	36,741	410	421	406	412	404
PPS 75/75 guarantee policy	27,845	24,665	11,922	10,460	12,950	384	298	131	125	144
PPS 75/100 guarantee policy	52,636	50,404	36,376	7,200	17,652	719	604	397	85	195

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.81	12.27	11.30	12.45	11.74	1.54	0.97
75/100 guarantee policy	13.60	12.11	11.18	12.34	11.66	1.49	0.93
100/100 guarantee policy	13.42	11.97	11.07	12.24	11.58	1.45	0.90
PS1 75/75 guarantee policy	14.12	12.51	11.50	12.63	11.89	1.61	1.01
PS1 75/100 guarantee policy	13.93	12.36	11.38	12.52	11.80	1.57	0.98
PS1 100/100 guarantee policy	13.68	12.18	11.23	12.39	11.70	1.50	0.95
PS2 75/75 guarantee policy	17.03	14.74	13.23	14.20	13.05	2.29	1.51
PS2 75/100 guarantee policy	17.04	14.74	13.23	14.20	13.05	2.30	1.51
PS 75/75 guarantee policy	13.58	11.93	10.87	11.84	11.04	1.65	1.06
PS 75/100 guarantee policy	13.39	11.79	10.77	11.75	10.99	1.60	1.02
PPS 75/75 guarantee policy	13.79	12.09	10.99	11.94	11.11	1.70	1.10
PPS 75/100 guarantee policy	13.65	11.98	10.91	11.87	11.07	1.67	1.07

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Monthly Income Fund (L) SF822 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Global Monthly Income Fund (L) SF822

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Global Monthly Income Fund (L) SF822

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.63	2.62	2.59	2.54	2.54
75/100 guarantee policy	2.85	2.84	2.81	2.76	2.76
100/100 guarantee policy	3.02	3.01	2.98	2.94	2.92
PS1 75/75 guarantee policy	2.38	2.38	2.35	2.30	2.29
PS1 75/100 guarantee policy	2.55	2.54	2.52	2.47	2.44
PS1 100/100 guarantee policy	2.78	2.76	2.75	2.69	2.65
PS 75/75 guarantee policy	1.52	1.51	1.49	1.45	1.45
PS 75/100 guarantee policy	1.74	1.74	1.71	1.67	1.68
PPS 75/75 guarantee policy	1.27	1.27	1.25	1.21	1.21
PPS 75/100 guarantee policy	1.44	1.44	1.42	1.38	1.37

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.38	2.38	2.35	2.30	2.31
PS1 75/100 guarantee policy	2.55	2.54	2.52	2.47	2.46
PS1 100/100 guarantee policy	2.78	2.76	2.75	2.69	2.67
PPS 75/75 guarantee policy	1.27	1.27	1.25	1.21	1.23
PPS 75/100 guarantee policy	1.44	1.44	1.42	1.38	1.39

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	5.18	7.04	117.39	56.14	17.48

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
DIVERSIFIED FUND (GLC) SF823

December 31, 2024

Independent Auditor's Report

To the Contractholders of Diversified Fund (GLC) SF823 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Diversified Fund (GLC) SF823

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	41,019	42,999
Total investments	41,019	42,999
Total assets	\$ 41,019	\$ 42,999
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 41,019	\$ 42,999

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 5,672	\$ 4,466
Miscellaneous income (loss)	—	—
Total income (loss)	5,672	4,466
Expenses		
Management fees (note 8)	909	976
Other	95	101
Total expenses	1,004	1,077
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 4,668	\$ 3,389

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 42,999	\$ 48,212
Contractholder deposits	13	20
Contractholder withdrawals	(6,661)	(8,622)
Increase (decrease) in net assets from operations attributable to contractholders	4,668	3,389
Change in net assets attributable to contractholders	(1,980)	(5,213)
Net assets attributable to contractholders - end of year	\$ 41,019	\$ 42,999

Diversified Fund (GLC) SF823

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 4,668	\$ 3,389
Adjustments		
Realized (gains) losses	(1,070)	(258)
Unrealized (gains) losses	(4,602)	(4,208)
Gross proceeds of disposition of investments	7,739	9,759
Gross payments for the purchase of investments	(87)	(80)
	<u>6,648</u>	<u>8,602</u>
Financing Activities		
Contractholder deposits	13	20
Contractholder withdrawals	(6,661)	(8,622)
	<u>(6,648)</u>	<u>(8,602)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Diversified Fund (GLC) SF823

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Maxxum Canadian Balanced Fund (Mackenzie) SF519	32,901	41,019
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	2.44%	
Mackenzie Global High Yield Fixed Income ETF *	2.40%	
Bank of Montreal	1.58%	
The Toronto-Dominion Bank	1.57%	
Cash and short-term deposits	1.51%	
Total Investments	32,901	41,019

*The issuer of this security is a related company to the issuer of the Fund.

Diversified Fund (GLC) SF823

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	418,964	513,108	590,903	565,031	210,112	5,232	5,741	6,139	6,631	2,265
75/100 guarantee policy	1,468,633	1,770,099	2,237,009	2,412,874	1,380,727	18,184	19,669	23,119	28,217	14,853
100/100 guarantee policy	10,760	11,321	13,234	17,481	4,618	132	125	136	204	50
PS1 75/75 guarantee policy	208,341	199,124	263,649	203,845	120,111	2,656	2,266	2,774	2,413	1,300
PS1 75/100 guarantee policy	793,241	905,260	1,014,675	1,355,101	465,380	10,029	10,229	10,621	15,986	5,030
PS1 100/100 guarantee policy	474	474	474	673	—	6	5	5	8	—
PS2 75/75 guarantee policy	10,921	11,698	23,095	27,241	—	156	146	260	338	—
PS2 75/100 guarantee policy	54,890	58,014	61,365	76,412	47,847	783	722	691	948	531
PS 75/75 guarantee policy	14,708	17,034	18,784	17,883	14,676	195	200	202	215	160
PS 75/100 guarantee policy	189,073	228,762	251,526	239,623	105,288	2,478	2,661	2,692	2,870	1,147
PPS 75/75 guarantee policy	48,277	60,145	87,429	91,548	2,856	652	717	953	1,111	31
PPS 75/100 guarantee policy	38,542	43,776	57,175	79,378	37,267	516	518	620	959	408

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.49	11.19	10.39	11.74	10.78	1.30	0.80
75/100 guarantee policy	12.38	11.11	10.33	11.69	10.76	1.27	0.78
100/100 guarantee policy	12.28	11.04	10.28	11.66	10.74	1.24	0.76
PS1 75/75 guarantee policy	12.75	11.38	10.52	11.84	10.83	1.37	0.86
PS1 75/100 guarantee policy	12.64	11.30	10.47	11.80	10.81	1.34	0.83
PS1 100/100 guarantee policy	12.50	11.20	10.40	11.74	—	1.30	0.80
PS2 75/75 guarantee policy	14.27	12.45	11.27	12.40	—	1.82	1.18
PS2 75/100 guarantee policy	14.27	12.45	11.27	12.40	11.10	1.82	1.18
PS 75/75 guarantee policy	13.23	11.72	10.76	12.02	10.92	1.51	0.96
PS 75/100 guarantee policy	13.11	11.63	10.70	11.98	10.89	1.48	0.93
PPS 75/75 guarantee policy	13.51	11.92	10.91	12.14	10.98	1.59	1.01
PPS 75/100 guarantee policy	13.38	11.83	10.84	12.08	10.95	1.55	0.99

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Diversified Fund (GLC) SF823 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Diversified Fund (GLC) SF823

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Diversified Fund (GLC) SF823

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.61	2.59	2.59	2.57	2.54
75/100 guarantee policy	2.78	2.75	2.76	2.74	2.72
100/100 guarantee policy	2.93	2.91	2.92	2.91	2.87
PS1 75/75 guarantee policy	2.21	2.19	2.18	2.17	2.14
PS1 75/100 guarantee policy	2.37	2.35	2.36	2.33	2.32
PS1 100/100 guarantee policy	2.57	2.58	2.57	2.58	—
PS 75/75 guarantee policy	1.50	1.49	1.49	1.47	1.44
PS 75/100 guarantee policy	1.67	1.65	1.65	1.63	1.61
PPS 75/75 guarantee policy	1.09	1.09	1.08	1.07	1.06
PPS 75/100 guarantee policy	1.26	1.25	1.25	1.23	1.21

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	0.20	0.17	114.65	33.67	5.91

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
DIVERSIFIED FIXED INCOME FUND (PSG) SF824

December 31, 2024

Independent Auditor's Report

To the Contractholders of Diversified Fixed Income Fund (PSG) SF824 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Diversified Fixed Income Fund (PSG) SF824

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	77,001	78,722
Total investments	77,001	78,722
Total assets	\$ 77,001	\$ 78,722
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 77,001	\$ 78,722

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,963	\$ 5,400
Miscellaneous income (loss)	—	—
Total income (loss)	3,963	5,400
Expenses		
Management fees (note 8)	1,163	1,187
Other	143	148
Total expenses	1,306	1,335
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 2,657	\$ 4,065

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 78,722	\$ 84,982
Contractholder deposits	6,548	9,347
Contractholder withdrawals	(10,926)	(19,672)
Increase (decrease) in net assets from operations attributable to contractholders	2,657	4,065
Change in net assets attributable to contractholders	(1,721)	(6,260)
Net assets attributable to contractholders - end of year	\$ 77,001	\$ 78,722

Diversified Fixed Income Fund (PSG) SF824

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 2,657	\$ 4,065
Adjustments		
Realized (gains) losses	(387)	1,119
Unrealized (gains) losses	(3,576)	(6,519)
Gross proceeds of disposition of investments	31,115	19,116
Gross payments for the purchase of investments	(25,431)	(7,456)
	<u>4,378</u>	<u>10,325</u>
Financing Activities		
Contractholder deposits	6,548	9,347
Contractholder withdrawals	(10,926)	(19,672)
	<u>(4,378)</u>	<u>(10,325)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Diversified Fixed Income Fund (PSG) SF824

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Fixed Income Fund 2.81MI	18,192	18,453
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.00% 06-01-2034	11.40%	
Province of Ontario 4.60% 12-02-2055	3.36%	
Canada Housing Trust No. 1 Floating Rate 09-15-2026	2.83%	
Province of Ontario 3.80% 12-02-2034	2.51%	
Province of Quebec 4.40% 12-01-2055	1.92%	
Corporate Bond Fund (PIM) SF817	6,299	6,921
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Coast Capital Savings Federal Credit Union 4.517% 10-18-2027	2.94%	
Intact Financial Corp. 2.954% 12-16-2050	2.24%	
Bank of Montreal 5.625% 05-26-2082	1.76%	
407 International Inc. 3.60% 05-21-2047	1.64%	
Rogers Communications Inc. 5.90% 09-21-2033	1.63%	
Global Inflation-Linked Fixed Income Fund 2.84WAM	970	960
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United States Treasury Inflation Index 2.13% 04-15-2029 Real Return	6.32%	
United States Treasury Inflation Index 0.13% 04-15-2027 Real Return	5.16%	
United States Treasury Inflation Index 1.25% 04-15-2028 Real Return	5.11%	
United States Treasury Inflation Index 1.63% 10-15-2027 Real Return	5.10%	
United States Treasury Inflation Index 0.64% 07-15-2032 Real Return	5.04%	
Global Unconstrained Fund (Mackenzie) SF530	4,922	5,389
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	7.45%	
Mackenzie Floating Rate Income ETF *	4.07%	
United States Treasury Inflation Index 2.125% 02-15-2054 Real Return	2.35%	
Mackenzie Canadian All Corporate Bond Index ETF *	2.26%	
Federal Republic of Germany 2.10% 04-12-2029	1.92%	
International Bond Fund (Laketon) SF036	3,812	3,841
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Buoni del Tesoro Poliennali 1.25% 12-01-2026	3.34%	
United States Treasury 0.50% 10-31-2027	2.96%	
United States Treasury 1.75% 11-15-2029	2.92%	
Government of Japan 0.40% 09-20-2025	2.39%	
United States Treasury 1.375% 08-31-2026	2.36%	

*The issuer of this security is a related company to the issuer of the Fund.

Diversified Fixed Income Fund (PSG) SF824

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Long Term Bond Fund (PIM) SF818	6,325	6,157
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 12-01-2055	3.95%	
Province of Quebec 4.40% 12-01-2055	2.89%	
Government of Canada 2.00% 12-01-2051	2.84%	
Province of Ontario 2.90% 12-02-2046	2.10%	
Province of Ontario 3.45% 06-02-2045	2.06%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	3,753	3,847
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Private Credit Fund 1.76NL	677	871
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Valet Living (f.k.a. Valet Waste) 5.75% 05-01-2029	3.11%	
Phenna Group 5.00% 06-16-2031	3.10%	
Intermedia (2024) 5.25% 04-04-2029	2.88%	
Inflexion Partnership Capital Fund II NAV 5.50% 01-29-2029	2.86%	
Calibre Scientific 5.50% 06-10-2027	2.75%	
Real Return Bond Fund (PIM) SF820	2,847	2,882
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 4.00% 12-01-2031 Real Return	14.61%	
Government of Canada 1.50% 12-01-2044 Real Return	13.02%	
Government of Canada 2.00% 12-01-2041 Real Return	12.48%	
Government of Canada 1.25% 12-01-2047 Real Return	11.75%	
Government of Canada 3.00% 12-01-2036 Real Return	10.72%	
Short Term Bond Fund (PIM) SF816	4,886	5,381
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 2.75% 09-01-2027	6.62%	
Province of Quebec 2.75% 09-01-2028	4.85%	
Government of Canada 3.25% 09-01-2028	3.70%	
Province of Quebec 2.30% 09-01-2029	3.43%	
The Toronto-Dominion Bank 3.105% 04-22-2030	3.36%	

Diversified Fixed Income Fund (PSG) SF824
Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Tactical Bond Fund (PIM) SF558	21,431	22,299
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Government of Canada 3.25% 12-01-2034	4.97%	
Province of Ontario 4.60% 12-02-2055	3.86%	
Government of Canada 2.75% 12-01-2055	3.82%	
Province of Quebec 4.40% 12-01-2055	3.16%	
Province of Ontario 3.80% 12-02-2034	2.70%	
Total Investments	74,114	77,001

Diversified Fixed Income Fund (PSG) SF824

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	823,118	873,833	873,056	1,071,064	584,109	7,937	8,167	7,792	10,937	6,222
75/100 guarantee policy	2,381,877	2,726,629	2,777,431	2,664,958	1,740,787	22,834	25,365	24,701	27,149	18,519
100/100 guarantee policy	36,313	26,726	31,973	40,371	16,710	344	246	282	409	177
PS1 75/75 guarantee policy	994,161	840,480	760,514	581,589	282,146	9,876	8,046	6,912	6,013	3,025
PS1 75/100 guarantee policy	2,156,674	2,347,550	2,595,755	2,607,296	1,639,440	21,363	22,421	23,551	26,925	17,567
PS1 100/100 guarantee policy	28,025	51,203	54,146	51,373	4,252	276	487	490	529	46
PS2 75/75 guarantee policy	356,672	319,976	1,190,775	225,271	35,214	3,844	3,270	11,373	2,409	384
PS2 75/100 guarantee policy	285,984	280,556	306,286	211,598	171,480	3,082	2,867	2,925	2,263	1,871
PS2 100/100 guarantee policy	70,923	72,208	—	—	—	764	738	—	—	—
PS 75/75 guarantee policy	53,820	51,928	68,553	48,270	41,874	534	497	623	499	449
PS 75/100 guarantee policy	319,527	344,162	275,329	185,613	76,327	3,153	3,277	2,492	1,914	817
PPS 75/75 guarantee policy	111,045	151,674	164,873	156,771	8,820	1,135	1,486	1,525	1,640	95
PPS 75/100 guarantee policy	182,315	189,746	250,795	216,527	96,529	1,859	1,855	2,316	2,263	1,041
PPS 100/100 guarantee policy	—	—	—	9,717	—	—	—	—	101	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	9.64	9.35	8.92	10.21	10.65	0.29	0.43
75/100 guarantee policy	9.59	9.30	8.89	10.19	10.64	0.29	0.41
100/100 guarantee policy	9.48	9.22	8.83	10.14	10.61	0.26	0.39
PS1 75/75 guarantee policy	9.93	9.57	9.09	10.34	10.72	0.36	0.48
PS1 75/100 guarantee policy	9.91	9.55	9.07	10.33	10.72	0.36	0.48
PS1 100/100 guarantee policy	9.85	9.51	9.04	10.30	10.70	0.34	0.47
PS2 75/75 guarantee policy	10.78	10.22	9.55	10.69	10.91	0.56	0.67
PS2 75/100 guarantee policy	10.78	10.22	9.55	10.69	10.91	0.56	0.67
PS2 100/100 guarantee policy	10.78	10.22	—	—	—	0.56	0.67
PS 75/75 guarantee policy	9.93	9.57	9.08	10.34	10.72	0.36	0.49
PS 75/100 guarantee policy	9.87	9.52	9.05	10.31	10.71	0.35	0.47
PPS 75/75 guarantee policy	10.23	9.80	9.25	10.46	10.79	0.43	0.55
PPS 75/100 guarantee policy	10.20	9.78	9.23	10.45	10.78	0.42	0.55
PPS 100/100 guarantee policy	—	—	—	10.43	—	—	—

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Diversified Fixed Income Fund (PSG) SF824 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Emperor,
- Flex,
- Generations/Mosaic,
- Generations I,
- Generations II,
- Generations Core,
- Prestige/Prestige Plus, and
- Private Collections.

In addition to the Individual units, units are available for:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Diversified Fixed Income Fund (PSG) SF824

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Diversified Fixed Income Fund (PSG) SF824

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.18	2.16	2.17	2.17	2.10
75/100 guarantee policy	2.30	2.28	2.28	2.29	2.21
100/100 guarantee policy	2.52	2.50	2.51	2.51	2.43
PS1 75/75 guarantee policy	1.60	1.59	1.58	1.59	1.53
PS1 75/100 guarantee policy	1.66	1.64	1.64	1.65	1.59
PS1 100/100 guarantee policy	1.77	1.75	1.75	1.75	1.70
PS 75/75 guarantee policy	1.62	1.60	1.60	1.61	1.55
PS 75/100 guarantee policy	1.73	1.72	1.71	1.72	1.66
PPS 75/75 guarantee policy	1.04	1.02	1.02	1.02	0.99
PPS 75/100 guarantee policy	1.09	1.08	1.08	1.08	1.04
PPS 100/100 guarantee policy	—	—	—	1.19	—

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	33.33	9.51	13.31	14.57	4.06

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
EQUITY/BOND FUND (GLC) SF825

December 31, 2024

Independent Auditor's Report

To the Contractholders of Equity/Bond Fund (GLC) SF825 (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Equity/Bond Fund (GLC) SF825

(in Canadian \$ thousands)

Fund Manager: Mackenzie Investments

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	131,260	82,260
Total investments	131,260	82,260
Total assets	\$ 131,260	\$ 82,260
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 131,260	\$ 82,260

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 12,386	\$ 6,133
Miscellaneous income (loss)	—	—
Total income (loss)	12,386	6,133
Expenses		
Management fees (note 8)	2,375	1,347
Other	245	134
Total expenses	2,620	1,481
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 9,766	\$ 4,652

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 82,260	\$ 40,567
Contractholder deposits	50,097	44,520
Contractholder withdrawals	(10,863)	(7,479)
Increase (decrease) in net assets from operations attributable to contractholders	9,766	4,652
Change in net assets attributable to contractholders	49,000	41,693
Net assets attributable to contractholders - end of year	\$ 131,260	\$ 82,260

Equity/Bond Fund (GLC) SF825

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 9,766	\$ 4,652
Adjustments		
Realized (gains) losses	(487)	(146)
Unrealized (gains) losses	(11,899)	(5,987)
Gross proceeds of disposition of investments	4,355	2,746
Gross payments for the purchase of investments	(40,969)	(38,306)
	<u>(39,234)</u>	<u>(37,041)</u>
Financing Activities		
Contractholder deposits	50,097	44,520
Contractholder withdrawals	(10,863)	(7,479)
	<u>39,234</u>	<u>37,041</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Equity/Bond Fund (GLC) SF825

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Growth Balanced Fund 1.94MI	112,214	131,260
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canada Life Canadian Focused Small-Mid Cap Fund Series R *	6.53%	
Cash and short-term deposits	3.53%	
Royal Bank of Canada	2.56%	
Government of Canada 3.00% 06-01-2034	2.30%	
Government of Canada 3.25% 12-01-2034	1.74%	
Total Investments	112,214	131,260

*The issuer of this security is a related company to the issuer of the Fund.

Equity/Bond Fund (GLC) SF825

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	956,341	602,199	326,702	132,588	88,040	12,839	7,362	3,693	1,587	941
75/100 guarantee policy	5,728,852	4,161,160	2,255,534	830,609	493,371	76,260	50,528	25,365	9,908	5,263
100/100 guarantee policy	95,811	70,505	40,755	8,625	724	1,265	851	456	103	8
PS1 75/75 guarantee policy	449,150	257,719	153,450	110,630	51,048	6,156	3,204	1,757	1,336	548
PS1 75/100 guarantee policy	1,762,414	1,093,437	565,769	200,578	103,855	23,954	13,502	6,444	2,414	1,113
PS1 100/100 guarantee policy	83,835	27,188	2,441	—	—	1,126	333	28	—	—
PS2 75/75 guarantee policy	17,917	10,643	6,711	3,988	—	275	145	82	50	—
PS2 75/100 guarantee policy	119,357	104,098	94,487	24,800	26,515	1,830	1,416	1,158	314	292
PS 75/75 guarantee policy	12,086	4,852	4,917	13,006	2,926	172	62	58	159	32
PS 75/100 guarantee policy	460,100	353,335	116,890	68,829	29,957	6,483	4,491	1,361	841	323
PPS 75/75 guarantee policy	15,143	4,403	—	—	—	220	57	—	—	—
PPS 75/100 guarantee policy	47,249	23,925	14,013	18,275	533	680	309	165	225	6

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.43	12.23	11.30	11.97	10.69	1.20	0.93
75/100 guarantee policy	13.31	12.14	11.25	11.93	10.67	1.17	0.89
100/100 guarantee policy	13.21	12.07	11.19	11.89	10.65	1.14	0.88
PS1 75/75 guarantee policy	13.71	12.43	11.45	12.08	10.74	1.28	0.98
PS1 75/100 guarantee policy	13.59	12.35	11.39	12.03	10.72	1.24	0.96
PS1 100/100 guarantee policy	13.44	12.23	11.31	—	—	1.21	0.92
PS2 75/75 guarantee policy	15.33	13.60	12.26	12.65	—	1.73	1.34
PS2 75/100 guarantee policy	15.33	13.60	12.26	12.65	11.01	1.73	1.34
PS 75/75 guarantee policy	14.21	12.80	11.70	12.26	10.82	1.41	1.10
PS 75/100 guarantee policy	14.09	12.71	11.64	12.22	10.80	1.38	1.07
PPS 75/75 guarantee policy	14.51	13.01	—	—	—	1.50	1.16
PPS 75/100 guarantee policy	14.39	12.93	11.79	12.32	10.86	1.46	1.14

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Equity/Bond Fund (GLC) SF825 (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Mackenzie Financial Corporation, which operates as Mackenzie Investments. All investment transactions with the corresponding underlying funds are at quoted market prices.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Equity/Bond Fund (GLC) SF825

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Equity/Bond Fund (GLC) SF825

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.61	2.58	2.59	2.57	2.52
75/100 guarantee policy	2.77	2.74	2.75	2.74	2.69
100/100 guarantee policy	2.93	2.90	2.90	2.90	2.86
PS1 75/75 guarantee policy	2.20	2.18	2.17	2.17	2.12
PS1 75/100 guarantee policy	2.37	2.34	2.35	2.33	2.28
PS1 100/100 guarantee policy	2.59	2.56	2.57	—	—
PS 75/75 guarantee policy	1.50	1.48	1.50	1.46	1.44
PS 75/100 guarantee policy	1.67	1.65	1.64	1.63	1.59
PPS 75/75 guarantee policy	1.09	1.08	—	—	—
PPS 75/100 guarantee policy	1.26	1.25	1.25	1.24	1.21

Portfolio Turnover Rate (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.16	4.55	85.53	53.89	9.53

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
GLOBAL GROWTH BALANCED FUND 1.05TRP

December 31, 2024

Independent Auditor's Report

To the Contractholders of Global Growth Balanced Fund 1.05TRP (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Global Growth Balanced Fund 1.05TRP

(in Canadian \$ thousands)

Fund Manager: T Rowe Price (Canada), Inc.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	76,500	66,248
Total investments	76,500	66,248
Total assets	\$ 76,500	\$ 66,248
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 76,500	\$ 66,248

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 12,550	\$ 9,332
Miscellaneous income (loss)	—	—
Total income (loss)	12,550	9,332
Expenses		
Management fees (note 8)	1,712	1,431
Other	200	169
Total expenses	1,912	1,600
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 10,638	\$ 7,732

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 66,248	\$ 55,783
Contractholder deposits	8,821	8,572
Contractholder withdrawals	(9,207)	(5,839)
Increase (decrease) in net assets from operations attributable to contractholders	10,638	7,732
Change in net assets attributable to contractholders	10,252	10,465
Net assets attributable to contractholders - end of year	\$ 76,500	\$ 66,248

Global Growth Balanced Fund 1.05TRP

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 10,638	\$ 7,732
Adjustments		
Realized (gains) losses	(952)	574
Unrealized (gains) losses	(11,598)	(9,906)
Gross proceeds of disposition of investments	9,551	6,022
Gross payments for the purchase of investments	(7,253)	(7,155)
	<u>386</u>	<u>(2,733)</u>
Financing Activities		
Contractholder deposits	8,821	8,572
Contractholder withdrawals	(9,207)	(5,839)
	<u>(386)</u>	<u>2,733</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Global Growth Balanced Fund 1.05TRP

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Global Growth Equity Fund 1.07TRP	35,824	45,808
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
NVIDIA Corp.	4.43%	
Apple Inc.	4.17%	
Microsoft Corp.	4.03%	
Amazon.com Inc.	3.27%	
Alphabet Inc. Class C	2.69%	
Global Multi-Sector Bond Fund 1.06TRP	30,051	30,692
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United Kingdom Treasury 4.13% 07-22-2029	5.81%	
T. Rowe Price SICAV Diversified Income Bond Class S	3.03%	
Republic of Malaysia 4.50% 04-15-2030	2.96%	
Republic of Malaysia 4.64% 11-07-2033	2.14%	
Republic of Singapore 3.38% 05-01-2034	1.96%	
Total Investments	65,875	76,500

Global Growth Balanced Fund 1.05TRP

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	712,213	718,585	635,253	559,929	98,933	9,208	8,016	6,250	7,124	1,213
75/100 guarantee policy	1,982,234	2,101,680	2,163,315	2,052,860	592,856	25,297	23,209	21,129	25,997	7,258
PS1 75/75 guarantee policy	621,320	477,328	368,402	436,471	68,832	8,160	5,392	3,659	5,586	846
PS1 75/100 guarantee policy	2,135,229	2,078,589	1,938,801	1,805,601	408,243	27,682	23,242	19,112	23,005	5,010
PS2 75/75 guarantee policy	47,112	51,947	60,090	108,435	49,566	695	642	637	1,445	620
PS2 75/100 guarantee policy	116,728	250,738	255,566	299,486	70,339	1,721	3,100	2,709	3,991	878
PS 75/75 guarantee policy	47,645	22,118	31,634	94,084	2,784	649	257	321	1,220	34
PS 75/100 guarantee policy	35,745	44,699	55,635	106,285	31,676	480	514	560	1,371	390
PPS 75/75 guarantee policy	134,138	108,743	80,387	179,189	28,572	1,855	1,279	822	2,336	354
PPS 75/100 guarantee policy	55,187	51,276	57,529	118,999	56,022	753	597	584	1,544	692

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.93	11.16	9.84	12.72	12.26	1.77	1.32
75/100 guarantee policy	12.76	11.04	9.77	12.66	12.24	1.72	1.27
PS1 75/75 guarantee policy	13.13	11.30	9.93	12.80	12.29	1.83	1.37
PS1 75/100 guarantee policy	12.96	11.18	9.86	12.74	12.27	1.78	1.32
PS2 75/75 guarantee policy	14.74	12.36	10.60	13.33	12.48	2.38	1.76
PS2 75/100 guarantee policy	14.74	12.36	10.60	13.33	12.48	2.38	1.76
PS 75/75 guarantee policy	13.63	11.63	10.14	12.97	12.36	2.00	1.49
PS 75/100 guarantee policy	13.44	11.50	10.06	12.90	12.33	1.94	1.44
PPS 75/75 guarantee policy	13.83	11.76	10.23	13.03	12.38	2.07	1.53
PPS 75/100 guarantee policy	13.65	11.64	10.15	12.98	12.36	2.01	1.49

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Global Growth Balanced Fund 1.05TRP (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Global Growth Balanced Fund 1.05TRP

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Global Growth Balanced Fund 1.05TRP

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.83	2.83	2.82	2.85	2.81
75/100 guarantee policy	3.11	3.11	3.10	3.13	3.09
PS1 75/75 guarantee policy	2.51	2.51	2.50	2.48	2.41
PS1 75/100 guarantee policy	2.79	2.78	2.77	2.76	2.69
PS 75/75 guarantee policy	1.71	1.71	1.72	1.71	1.72
PS 75/100 guarantee policy	1.99	1.99	1.99	1.99	1.99
PPS 75/75 guarantee policy	1.38	1.39	1.39	1.37	1.30
PPS 75/100 guarantee policy	1.66	1.67	1.67	1.65	1.59

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.54	2.54	2.53	2.53	2.52
PS1 75/100 guarantee policy	2.82	2.81	2.80	2.81	2.80
PPS 75/75 guarantee policy	1.41	1.42	1.42	1.42	1.41
PPS 75/100 guarantee policy	1.69	1.70	1.70	1.70	1.70

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	9.99	9.81	11.58	1.85	0.96

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
RISK-MANAGED CONSERVATIVE INCOME
PORTFOLIO FUND 1.21IL

December 31, 2024

Independent Auditor's Report

To the Contractholders of Risk-Managed Conservative Income Portfolio Fund 1.21IL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Risk-Managed Conservative Income Portfolio Fund 1.21IL

(in Canadian \$ thousands)

Fund Manager: Irish Life Investment Managers Limited (ILIM)

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	105,174	80,918
Total investments	105,174	80,918
Total assets	\$ 105,174	\$ 80,918
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 105,174	\$ 80,918

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 9,271	\$ 6,828
Miscellaneous income (loss)	—	—
Total income (loss)	9,271	6,828
Expenses		
Management fees (note 8)	1,543	1,358
Other	180	160
Total expenses	1,723	1,518
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 7,548	\$ 5,310

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 80,918	\$ 79,286
Contractholder deposits	34,510	12,946
Contractholder withdrawals	(17,802)	(16,624)
Increase (decrease) in net assets from operations attributable to contractholders	7,548	5,310
Change in net assets attributable to contractholders	24,256	1,632
Net assets attributable to contractholders - end of year	\$ 105,174	\$ 80,918

Risk-Managed Conservative Income Portfolio Fund 1.21IL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 7,548	\$ 5,310
Adjustments		
Realized (gains) losses	(1,183)	875
Unrealized (gains) losses	(8,088)	(7,703)
Gross proceeds of disposition of investments	10,687	58,335
Gross payments for the purchase of investments	(25,672)	(53,139)
	<u>(16,708)</u>	<u>3,678</u>
Financing Activities		
Contractholder deposits	34,510	12,946
Contractholder withdrawals	(17,802)	(16,624)
	<u>16,708</u>	<u>(3,678)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Index ETF Fund 1.96MI	3,791	4,752
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed Markets ex-U.S. Index ETF Fund 1.98MI	1,889	2,109
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard FTSE Developed Markets ETF	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	1,932	2,096
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets Local Currency Bond Index ETF Fund 2.19MI	1,848	2,080
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Local Currency Bond Index ETF *	100.00%	
Fixed Income Fund 2.55IL	35,607	37,931
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Aggregate Bond Index ETF *	51.12%	
Mackenzie Canadian All Corporate Bond Index ETF *	20.93%	
Vanguard Canadian Long-Term Bond Index ETF	19.14%	
Mackenzie Canadian Short Term Bond Index ETF *	5.03%	
iShares 20 + Year US Treasury Bond Hedged to CAD Index ETF	3.78%	
Global Dividend Fund (SAM) SF528	1,762	2,103
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Global Founders Fund 1.00BG	1,647	2,099
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Gen Digital Inc.	3.39%	
eBay Inc.	3.19%	
Merck & Co. Inc.	3.18%	
American Express Co.	3.17%	
Amdocs Ltd.	3.05%	
Global Low Vol Fund (ILIM) SF561	2,122	2,625
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.09%	
Microsoft Corp.	4.15%	
Vanguard S&P 500 ETF	2.52%	
NVIDIA Corp.	2.31%	
Vanguard FTSE Developed Markets ETF	1.66%	
Global Multi-Sector Bond Fund 1.06TRP	6,100	6,309
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United Kingdom Treasury 4.13% 07-22-2029	5.81%	
T. Rowe Price SICAV Diversified Income Bond Class S	3.03%	
Republic of Malaysia 4.50% 04-15-2030	2.96%	
Republic of Malaysia 4.64% 11-07-2033	2.14%	
Republic of Singapore 3.38% 05-01-2034	1.96%	
Money Market Fund (Laketon) SF029	4,841	5,261
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canadian Imperial Bank of Commerce Floating Rate 02-03-2025	5.94%	
Royal Bank of Canada 3.369% 09-29-2025	5.34%	
National Bank of Canada Floating Rate 01-24-2025	3.46%	
Vancouver Airport Fuel Facilities Corp. 2.168% 06-23-2025	3.18%	
National Bank of Canada Floating Rate 10-20-2025	2.88%	
Pathways Canadian Equity Fund (GWLIM) SF543	2,986	3,692
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	10,144	10,534
<i><u>Top 5 Holdings:</u></i>	<i><u>% of Total</u></i>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways Global Tactical Fund (ILIM) SF551	1,908	2,620
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Vanguard S&P 500 ETF	76.32%	
Vanguard FTSE Developed Markets ETF	23.30%	
Cash and short-term deposits	0.38%	
Risk Reduction Pool Fund 1.42IL	13,867	18,851
<i><u>Top 5 Holdings:</u></i>	<i><u>% of Total</u></i>	
SPDR S&P 500 ETF Trust	88.47%	
Cash and short-term deposits	10.17%	
PUT SPX 12-19-2025	0.72%	
PUT SPX 09-19-2025	0.40%	
PUT SPX 06-20-2025	0.20%	
U.S. High Yield Bond Index ETF Fund 2.20MI	1,897	2,112
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie US High Yield Bond Hedged to CAD Index ETF *	100.00%	
Total Investments	92,341	105,174

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,395,662	1,173,862	1,201,015	948,740	288,695	15,325	11,830	11,333	9,932	2,936
75/100 guarantee policy	3,191,878	2,819,415	2,686,109	2,175,388	429,709	34,645	28,167	25,195	22,702	4,367
PS1 75/75 guarantee policy	851,533	556,285	479,128	475,502	57,970	9,444	5,649	4,544	4,992	590
PS1 75/100 guarantee policy	2,743,753	2,070,560	2,103,028	2,132,975	370,940	30,290	20,953	19,900	22,364	3,773
PS2 75/75 guarantee policy	93,840	40,806	93,002	104,503	11,221	1,125	440	918	1,120	114
PS2 75/100 guarantee policy	136,904	165,389	493,096	188,466	1,817	1,641	1,781	4,868	2,021	19
PS 75/75 guarantee policy	113,483	158,769	195,908	194,540	13,210	1,290	1,643	1,882	2,056	134
PS 75/100 guarantee policy	405,761	444,508	442,654	351,930	19,736	4,560	4,559	4,227	3,708	201
PPS 75/75 guarantee policy	90,425	107,832	202,598	123,169	47,469	1,038	1,124	1,956	1,305	483
PPS 75/100 guarantee policy	508,877	459,415	463,350	279,162	—	5,816	4,772	4,463	2,955	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	10.98	10.08	9.44	10.47	10.17	0.90	0.64
75/100 guarantee policy	10.85	9.99	9.38	10.44	10.16	0.86	0.61
PS1 75/75 guarantee policy	11.09	10.15	9.48	10.50	10.17	0.94	0.67
PS1 75/100 guarantee policy	11.04	10.12	9.46	10.48	10.17	0.92	0.66
PS2 75/75 guarantee policy	11.99	10.77	9.87	10.72	10.20	1.22	0.90
PS2 75/100 guarantee policy	11.99	10.77	9.87	10.72	10.20	1.22	0.90
PS 75/75 guarantee policy	11.37	10.35	9.61	10.57	10.18	1.02	0.74
PS 75/100 guarantee policy	11.24	10.26	9.55	10.54	10.18	0.98	0.71
PPS 75/75 guarantee policy	11.48	10.43	9.66	10.60	10.19	1.05	0.77
PPS 75/100 guarantee policy	11.43	10.39	9.63	10.58	—	1.04	0.76

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Risk-Managed Conservative Income Portfolio Fund 1.21IL (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Irish Life Investment Managers Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Risk-Managed Conservative Income Portfolio Fund 1.21IL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.13	2.12	2.13	2.08	2.07
75/100 guarantee policy	2.41	2.40	2.41	2.37	2.35
PS1 75/75 guarantee policy	1.89	1.88	1.90	1.86	1.82
PS1 75/100 guarantee policy	2.00	1.99	2.01	1.95	1.93
PS 75/75 guarantee policy	1.29	1.29	1.30	1.26	1.25
PS 75/100 guarantee policy	1.57	1.56	1.57	1.53	1.52
PPS 75/75 guarantee policy	1.05	1.04	1.05	1.03	0.99
PPS 75/100 guarantee policy	1.16	1.16	1.16	1.13	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	1.89	1.88	1.90	1.86	1.84
PS1 75/100 guarantee policy	2.00	1.99	2.01	1.95	1.95
PPS 75/75 guarantee policy	1.05	1.04	1.05	1.03	1.01

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	12.12	66.03	28.01	8.74	3.78

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
RISK-MANAGED BALANCED PORTFOLIO FUND
1.22IL

December 31, 2024

Independent Auditor's Report

To the Contractholders of Risk-Managed Balanced Portfolio Fund 1.22IL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Risk-Managed Balanced Portfolio Fund 1.22IL

(in Canadian \$ thousands)

Fund Manager: Irish Life Investment Managers Limited (ILIM)

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	187,537	145,870
Total investments	187,537	145,870
Total assets	\$ 187,537	\$ 145,870
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 187,537	\$ 145,870

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 23,173	\$ 13,276
Miscellaneous income (loss)	—	—
Total income (loss)	23,173	13,276
Expenses		
Management fees (note 8)	3,004	2,433
Other	307	251
Total expenses	3,311	2,684
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 19,862	\$ 10,592

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 145,870	\$ 126,600
Contractholder deposits	40,634	27,974
Contractholder withdrawals	(18,829)	(19,296)
Increase (decrease) in net assets from operations attributable to contractholders	19,862	10,592
Change in net assets attributable to contractholders	41,667	19,270
Net assets attributable to contractholders - end of year	\$ 187,537	\$ 145,870

Risk-Managed Balanced Portfolio Fund 1.22IL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 19,862	\$ 10,592
Adjustments		
Realized (gains) losses	(1,838)	(1,067)
Unrealized (gains) losses	(21,335)	(12,209)
Gross proceeds of disposition of investments	12,018	66,227
Gross payments for the purchase of investments	(30,512)	(72,221)
	(21,805)	(8,678)
Financing Activities		
Contractholder deposits	40,634	27,974
Contractholder withdrawals	(18,829)	(19,296)
	21,805	8,678
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	\$ —	\$ —

Risk-Managed Balanced Portfolio Fund 1.22IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Index ETF Fund 1.96MI	10,148	13,048
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed Markets ex-U.S. Index ETF Fund 1.98MI	6,697	7,798
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Vanguard FTSE Developed Markets ETF	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	3,391	3,717
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets Local Currency Bond Index ETF Fund 2.19MI	3,250	3,709
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie Emerging Markets Local Currency Bond Index ETF *	100.00%	
Fixed Income Fund 2.55IL	31,398	33,678
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie Canadian Aggregate Bond Index ETF *	51.12%	
Mackenzie Canadian All Corporate Bond Index ETF *	20.93%	
Vanguard Canadian Long-Term Bond Index ETF	19.14%	
Mackenzie Canadian Short Term Bond Index ETF *	5.03%	
iShares 20 + Year US Treasury Bond Hedged to CAD Index ETF	3.78%	

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Balanced Portfolio Fund 1.22IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	4,560	5,581
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Founders Fund 1.00BG	4,206	5,570
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Gen Digital Inc.	3.39%	
eBay Inc.	3.19%	
Merck & Co. Inc.	3.18%	
American Express Co.	3.17%	
Amdocs Ltd.	3.05%	
Global Low Vol Fund (ILIM) SF561	5,863	7,454
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.09%	
Microsoft Corp.	4.15%	
Vanguard S&P 500 ETF	2.52%	
NVIDIA Corp.	2.31%	
Vanguard FTSE Developed Markets ETF	1.66%	
Global Multi-Sector Bond Fund 1.06TRP	10,877	11,222
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United Kingdom Treasury 4.13% 07-22-2029	5.81%	
T. Rowe Price SICAV Diversified Income Bond Class S	3.03%	
Republic of Malaysia 4.50% 04-15-2030	2.96%	
Republic of Malaysia 4.64% 11-07-2033	2.14%	
Republic of Singapore 3.38% 05-01-2034	1.96%	
Money Market Fund (Laketon) SF029	5,167	5,647
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Canadian Imperial Bank of Commerce Floating Rate 02-03-2025	5.94%	
Royal Bank of Canada 3.369% 09-29-2025	5.34%	
National Bank of Canada Floating Rate 01-24-2025	3.46%	
Vancouver Airport Fuel Facilities Corp. 2.168% 06-23-2025	3.18%	
National Bank of Canada Floating Rate 10-20-2025	2.88%	

Risk-Managed Balanced Portfolio Fund 1.22IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
Pathways Canadian Equity Fund (GWLIM) SF543	10,199	13,036
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	17,968	18,762
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways Global Tactical Fund (ILIM) SF551	5,219	7,482
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard S&P 500 ETF	76.32%	
Vanguard FTSE Developed Markets ETF	23.30%	
Cash and short-term deposits	0.38%	
Risk Reduction Pool Fund 1.42IL	31,130	43,663
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
SPDR S&P 500 ETF Trust	88.47%	
Cash and short-term deposits	10.17%	
PUT SPX 12-19-2025	0.72%	
PUT SPX 09-19-2025	0.40%	
PUT SPX 06-20-2025	0.20%	
U.S. Equity Large Cap Index ETF Fund 1.97MI	2,184	3,414
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard S&P 500 ETF	100.00%	

Risk-Managed Balanced Portfolio Fund 1.22IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. High Yield Bond Index ETF Fund 2.20MI	3,335	3,756
<i><u>Top Holdings:</u></i>	<i><u>% of Total</u></i>	
Mackenzie US High Yield Bond Hedged to CAD Index ETF *	100.00%	
Total Investments	155,592	187,537

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Balanced Portfolio Fund 1.22IL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	1,742,674	1,468,750	1,347,874	1,013,138	170,165	20,724	15,576	13,272	11,007	1,742
75/100 guarantee policy	4,134,902	4,010,613	3,790,325	2,920,289	364,092	48,614	42,165	37,102	31,626	3,725
PS1 75/75 guarantee policy	1,363,639	1,018,170	1,449,515	1,200,848	85,077	16,345	10,863	14,332	13,074	871
PS1 75/100 guarantee policy	4,288,049	3,495,902	3,045,908	2,245,279	470,538	51,163	37,169	30,045	24,415	4,816
PS2 75/75 guarantee policy	667,441	618,032	409,079	395,838	36,064	8,823	7,101	4,254	4,427	370
PS2 75/100 guarantee policy	1,864,740	1,698,233	1,471,656	1,169,853	89,891	24,649	19,512	15,304	13,084	924
PS 75/75 guarantee policy	297,101	196,881	190,072	139,211	6,638	3,699	2,161	1,916	1,532	68
PS 75/100 guarantee policy	365,199	484,162	483,635	333,228	42,821	4,495	5,270	4,848	3,655	439
PPS 75/75 guarantee policy	378,637	323,723	331,380	252,755	17,616	4,751	3,576	3,355	2,787	181
PPS 75/100 guarantee policy	342,217	225,005	215,049	129,911	—	4,274	2,477	2,172	1,431	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.89	10.60	9.85	10.86	10.23	1.29	0.75
75/100 guarantee policy	11.76	10.51	9.79	10.83	10.23	1.25	0.72
PS1 75/75 guarantee policy	11.99	10.67	9.89	10.89	10.24	1.32	0.78
PS1 75/100 guarantee policy	11.93	10.63	9.86	10.87	10.24	1.30	0.77
PS2 75/75 guarantee policy	13.22	11.49	10.40	11.18	10.27	1.73	1.09
PS2 75/100 guarantee policy	13.22	11.49	10.40	11.18	10.27	1.73	1.09
PS 75/75 guarantee policy	12.45	10.98	10.08	11.00	10.25	1.47	0.90
PS 75/100 guarantee policy	12.31	10.88	10.02	10.97	10.25	1.43	0.86
PPS 75/75 guarantee policy	12.55	11.05	10.12	11.03	10.26	1.50	0.93
PPS 75/100 guarantee policy	12.49	11.01	10.10	11.01	—	1.48	0.91

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Risk-Managed Balanced Portfolio Fund 1.22IL (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Irish Life Investment Managers Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Risk-Managed Balanced Portfolio Fund 1.22IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Risk-Managed Balanced Portfolio Fund 1.22IL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.56	2.54	2.56	2.55	2.52
75/100 guarantee policy	2.83	2.82	2.83	2.82	2.79
PS1 75/75 guarantee policy	2.37	2.35	2.36	2.37	2.31
PS1 75/100 guarantee policy	2.48	2.46	2.47	2.48	2.42
PS 75/75 guarantee policy	1.44	1.44	1.46	1.44	1.42
PS 75/100 guarantee policy	1.72	1.72	1.73	1.71	1.69
PPS 75/75 guarantee policy	1.26	1.25	1.26	1.26	1.21
PPS 75/100 guarantee policy	1.37	1.36	1.37	1.36	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.37	2.35	2.38	2.37	2.34
PS1 75/100 guarantee policy	2.48	2.46	2.49	2.48	2.45
PPS 75/75 guarantee policy	1.26	1.25	1.28	1.26	1.24

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	7.18	49.69	21.63	0.92	0.02

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
RISK-MANAGED GROWTH PORTFOLIO FUND
1.23IL

December 31, 2024

Independent Auditor's Report

To the Contractholders of Risk-Managed Growth Portfolio Fund 1.23IL (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Risk-Managed Growth Portfolio Fund 1.23IL

(in Canadian \$ thousands)

Fund Manager: Irish Life Investment Managers Limited (ILIM)

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	66,924	50,199
Total investments	66,924	50,199
Total assets	\$ 66,924	\$ 50,199
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 66,924	\$ 50,199

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 11,048	\$ 5,988
Miscellaneous income (loss)	—	—
Total income (loss)	11,048	5,988
Expenses		
Management fees (note 8)	918	630
Other	97	68
Total expenses	1,015	698
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 10,033	\$ 5,290

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 50,199	\$ 45,150
Contractholder deposits	12,851	2,954
Contractholder withdrawals	(6,159)	(3,195)
Increase (decrease) in net assets from operations attributable to contractholders	10,033	5,290
Change in net assets attributable to contractholders	16,725	5,049
Net assets attributable to contractholders - end of year	\$ 66,924	\$ 50,199

Risk-Managed Growth Portfolio Fund 1.23IL

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 10,033	\$ 5,290
Adjustments		
Realized (gains) losses	(943)	(813)
Unrealized (gains) losses	(10,105)	(5,175)
Gross proceeds of disposition of investments	5,354	17,347
Gross payments for the purchase of investments	(11,031)	(16,408)
	<u>(6,692)</u>	<u>241</u>
Financing Activities		
Contractholder deposits	12,851	2,954
Contractholder withdrawals	(6,159)	(3,195)
	<u>6,692</u>	<u>(241)</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Risk-Managed Growth Portfolio Fund 1.23IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Equity Index ETF Fund 1.96MI	3,874	4,976
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed Markets ex-U.S. Index ETF Fund 1.98MI	3,034	3,586
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard FTSE Developed Markets ETF	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	1,221	1,333
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets ETF Fund 1.46GLC	4,113	4,678
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard MSCI Emerging Markets ETF	100.00%	
Emerging Markets Local Currency Bond Index ETF Fund 2.19MI	1,178	1,336
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Local Currency Bond Index ETF *	100.00%	

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Growth Portfolio Fund 1.23IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
Global Dividend Fund (SAM) SF528	1,660	1,995
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.28%	
The Procter & Gamble Co.	4.12%	
Sanofi SA	3.79%	
Novartis AG	3.69%	
Allianz SE	3.62%	
Global Founders Fund 1.00BG	3,561	4,644
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Gen Digital Inc.	3.39%	
eBay Inc.	3.19%	
Merck & Co. Inc.	3.18%	
American Express Co.	3.17%	
Amdocs Ltd.	3.05%	
Global Low Vol Fund (ILIM) SF561	2,624	3,329
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	5.09%	
Microsoft Corp.	4.15%	
Vanguard S&P 500 ETF	2.52%	
NVIDIA Corp.	2.31%	
Vanguard FTSE Developed Markets ETF	1.66%	
Global Multi-Sector Bond Fund 1.06TRP	2,589	2,681
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
United Kingdom Treasury 4.13% 07-22-2029	5.81%	
T. Rowe Price SICAV Diversified Income Bond Class S	3.03%	
Republic of Malaysia 4.50% 04-15-2030	2.96%	
Republic of Malaysia 4.64% 11-07-2033	2.14%	
Republic of Singapore 3.38% 05-01-2034	1.96%	
Pathways Canadian Equity Fund (GWLIM) SF543	4,431	5,647
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Royal Bank of Canada	7.90%	
Constellation Software Inc.	5.00%	
Shopify Inc.	4.63%	
Canadian Natural Resources Ltd.	3.68%	
Brookfield Corp.	3.65%	

Risk-Managed Growth Portfolio Fund 1.23IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	Average Cost	Fair Value
Investment Fund Units (continued)		
Pathways Global Multi Sector Bond Fund (Brandywine) SF542	5,166	5,388
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Cash and short-term deposits	16.28%	
United Mexican States 7.50% 05-26-2033	2.65%	
Petroleos Mexicanos 5.35% 02-12-2028	2.44%	
United Kingdom Treasury 3.75% 10-22-2053	2.20%	
Federal Home Loan Mortgage Corp. Floating Rate 11-25-2043 144A	2.08%	
Pathways Global Tactical Fund (ILIM) SF551	2,375	3,336
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard S&P 500 ETF	76.32%	
Vanguard FTSE Developed Markets ETF	23.30%	
Cash and short-term deposits	0.38%	
Risk Reduction Pool Fund 1.42IL	11,197	15,505
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
SPDR S&P 500 ETF Trust	88.47%	
Cash and short-term deposits	10.17%	
PUT SPX 12-19-2025	0.72%	
PUT SPX 09-19-2025	0.40%	
PUT SPX 06-20-2025	0.20%	
U.S. Equity Large Cap Index ETF Fund 1.97MI	1,948	3,073
<u>Top Holdings:</u>	<u>% of Total</u>	
Vanguard S&P 500 ETF	100.00%	
U.S. Growth Leaders Fund S-286MF	2,429	4,071
<u>Top 5 Holdings:</u>	<u>% of Total</u>	
Apple Inc.	9.71%	
NVIDIA Corp.	9.20%	
Amazon.com Inc.	8.14%	
Microsoft Corp.	8.12%	
Broadcom Inc.	5.20%	

Risk-Managed Growth Portfolio Fund 1.23IL

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
U.S. High Yield Bond Index ETF Fund 2.20MI	1,200	1,346
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US High Yield Bond Hedged to CAD Index ETF *	100.00%	
Total Investments	52,600	66,924

*The issuer of this security is a related company to the issuer of the Fund.

Risk-Managed Growth Portfolio Fund 1.23IL

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Net Assets Attributable to Contractholders by Category

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	559,026	506,327	512,211	356,122	56,195	7,317	5,627	5,165	3,995	580
75/100 guarantee policy	1,043,104	892,958	760,943	514,647	45,130	13,497	9,837	7,628	5,755	466
PS1 75/75 guarantee policy	682,051	587,640	434,495	275,185	46,534	8,999	6,570	4,400	3,093	481
PS1 75/100 guarantee policy	1,006,478	546,456	370,756	176,485	66,748	13,219	6,089	3,745	1,981	689
PS2 75/75 guarantee policy	1,294,748	1,461,565	1,781,305	1,572,822	188,564	18,928	17,661	19,018	18,185	1,955
PS2 75/100 guarantee policy	39,788	43,081	107,086	66,181	6,220	582	521	1,143	765	65
PS 75/75 guarantee policy	44,218	63,764	68,274	48,488	—	606	734	705	551	—
PS 75/100 guarantee policy	51,551	48,673	51,181	46,082	—	698	555	525	522	—
PPS 75/75 guarantee policy	171,826	178,326	220,324	93,817	13,692	2,373	2,064	2,285	1,068	142
PPS 75/100 guarantee policy	51,286	46,930	51,798	43,094	—	705	541	536	490	—

Net Assets Attributable to Contractholders Per Unit (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.09	11.11	10.08	11.22	10.33	1.98	1.03
75/100 guarantee policy	12.94	11.02	10.02	11.18	10.32	1.92	1.00
PS1 75/75 guarantee policy	13.19	11.18	10.13	11.24	10.33	2.01	1.05
PS1 75/100 guarantee policy	13.13	11.14	10.10	11.23	10.33	1.99	1.04
PS2 75/75 guarantee policy	14.62	12.08	10.68	11.56	10.37	2.54	1.40
PS2 75/100 guarantee policy	14.62	12.08	10.68	11.56	10.37	2.54	1.40
PS 75/75 guarantee policy	13.70	11.51	10.33	11.36	—	2.19	1.18
PS 75/100 guarantee policy	13.55	11.41	10.26	11.32	—	2.14	1.15
PPS 75/75 guarantee policy	13.81	11.58	10.37	11.38	10.35	2.23	1.21
PPS 75/100 guarantee policy	13.75	11.54	10.34	11.37	—	2.21	1.20

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Risk-Managed Growth Portfolio Fund 1.23IL (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Irish Life Investment Managers Limited. All investment transactions with the corresponding underlying funds are at quoted market prices.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Risk-Managed Growth Portfolio Fund 1.23IL

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Risk-Managed Growth Portfolio Fund 1.23IL

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.68	2.66	2.68	2.66	2.63
75/100 guarantee policy	2.95	2.94	2.95	2.94	2.90
PS1 75/75 guarantee policy	2.49	2.47	2.47	2.48	2.42
PS1 75/100 guarantee policy	2.60	2.58	2.60	2.57	2.53
PS 75/75 guarantee policy	1.57	1.56	1.57	1.55	—
PS 75/100 guarantee policy	1.84	1.83	1.85	1.84	—
PPS 75/75 guarantee policy	1.38	1.36	1.37	1.37	1.32
PPS 75/100 guarantee policy	1.49	1.47	1.48	1.48	—

Unsubsidized Management Expense Ratio (%) ⁽²⁾

For the years ended December 31	2024	2023	2022	2021	2020
PS1 75/75 guarantee policy	2.49	2.47	2.49	2.48	2.45
PS1 75/100 guarantee policy	2.60	2.58	2.62	2.57	2.56
PPS 75/75 guarantee policy	1.38	1.36	1.39	1.37	1.35

Portfolio Turnover Rate (%) ⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	9.08	33.52	37.10	6.81	0.60

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The Company has waived a portion of the fees for the Preferred Series 1 and Preferred Partner Series guarantee policies. There is no obligation for the Company to continue waiving these fees and it may cease to do so at any time without notice.

(3) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INDEX ETF CONSERVATIVE PORTFOLIO FUND
1.99PSG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Index ETF Conservative Portfolio Fund 1.99PSG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Index ETF Conservative Portfolio Fund 1.99PSG

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	15,965	5,501
Total investments	15,965	5,501
Total assets	\$ 15,965	\$ 5,501
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 15,965	\$ 5,501

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 854	\$ 308
Miscellaneous income (loss)	—	—
Total income (loss)	854	308
Expenses		
Management fees (note 8)	161	63
Other	14	7
Total expenses	175	70
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 679	\$ 238

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 5,501	\$ 795
Contractholder deposits	10,898	5,308
Contractholder withdrawals	(1,113)	(840)
Increase (decrease) in net assets from operations attributable to contractholders	679	238
Change in net assets attributable to contractholders	10,464	4,706
Net assets attributable to contractholders - end of year	\$ 15,965	\$ 5,501

Index ETF Conservative Portfolio Fund 1.99PSG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 679	\$ 238
Adjustments		
Realized (gains) losses	(86)	(8)
Unrealized (gains) losses	(768)	(300)
Gross proceeds of disposition of investments	1,284	959
Gross payments for the purchase of investments	(10,894)	(5,357)
	<u>(9,785)</u>	<u>(4,468)</u>
Financing Activities		
Contractholder deposits	10,898	5,308
Contractholder withdrawals	(1,113)	(840)
	<u>9,785</u>	<u>4,468</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Index ETF Conservative Portfolio Fund 1.99PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Aggregate Bond ETF Fund 1.44GLC	5,355	5,611
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Aggregate Bond Index ETF *	100.00%	
Canadian Equity Index ETF Fund 1.96MI	1,241	1,437
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed ex-North American Aggregate Bond Index ETF Fund 2.03MI	1,080	1,115
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Developed Ex-North America Aggregate Bond Hedged to CAD Index ETF *	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	266	279
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets Equity Index ETF Fund 2.05MI	218	239
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Equity Hedged to CAD Index ETF *	100.00%	

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Conservative Portfolio Fund 1.99PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Index ETF Fund 1.82MI	1,106	1,192
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie International Equity Index ETF *	100.00%	
U.S. Aggregate Bond Index ETF Fund 2.02MI	4,139	4,189
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Aggregate Bond Hedged to CAD Index ETF *	100.00%	
US Large Cap Equity Index ETF Fund 1.84MI	1,488	1,903
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Large Cap Index ETF *	100.00%	
Total Investments	14,893	15,965

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Conservative Portfolio Fund 1.99PSG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Seed money units, as described in note 8 c), are allocated to each category and are included on this page.

Net Assets Attributable to Contractholders by Category ⁽¹⁾

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	361,065	85,093	19,294	—	—	4,264	942	199	—	—
75/100 guarantee policy	332,752	131,766	7,691	—	—	3,906	1,454	80	—	—
100/100 guarantee policy	8,304	1,933	—	—	—	97	21	—	—	—
PS1 75/75 guarantee policy	130,488	61,979	—	—	—	1,549	688	—	—	—
PS1 75/100 guarantee policy	331,296	189,568	50,016	—	—	3,924	2,101	516	—	—
PS1 100/100 guarantee policy	32,340	—	—	—	—	382	—	—	—	—
PS2 75/75 guarantee policy	112,281	—	—	—	—	1,383	—	—	—	—
PS2 75/100 guarantee policy	12,989	—	—	—	—	160	—	—	—	—
PS 75/75 guarantee policy	1,951	1,854	—	—	—	23	21	—	—	—
PS 75/100 guarantee policy	5,769	6,389	—	—	—	69	71	—	—	—
PPS 75/100 guarantee policy	17,240	18,110	—	—	—	208	203	—	—	—

Net Assets Attributable to Contractholders Per Unit ⁽¹⁾ (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	11.81	11.07	10.32	—	—	0.74	0.75
75/100 guarantee policy	11.74	11.03	10.31	—	—	0.71	0.72
100/100 guarantee policy	11.68	11.00	—	—	—	0.68	0.69
PS1 75/75 guarantee policy	11.87	11.10	—	—	—	0.77	0.78
PS1 75/100 guarantee policy	11.84	11.09	10.32	—	—	0.75	0.77
PS1 100/100 guarantee policy	11.79	—	—	—	—	0.84	—
PS2 75/75 guarantee policy	12.32	—	—	—	—	0.99	—
PS2 75/100 guarantee policy	12.32	—	—	—	—	0.99	—
PS 75/75 guarantee policy	12.02	11.18	—	—	—	0.84	0.84
PS 75/100 guarantee policy	11.95	11.14	—	—	—	0.81	0.81
PPS 75/100 guarantee policy	12.06	11.20	—	—	—	0.86	0.86

⁽¹⁾ The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Index ETF Conservative Portfolio Fund 1.99PSG (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Index ETF Conservative Portfolio Fund 1.99PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Index ETF Conservative Portfolio Fund 1.99PSG

Supplemental Information (unaudited)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	1.92	1.94	1.95	—	—
75/100 guarantee policy	2.20	2.22	2.22	—	—
100/100 guarantee policy	2.42	2.44	—	—	—
PS1 75/75 guarantee policy	1.69	1.71	—	—	—
PS1 75/100 guarantee policy	1.80	1.82	1.82	—	—
PS1 100/100 guarantee policy	1.92	—	—	—	—
PS 75/75 guarantee policy	1.11	1.12	—	—	—
PS 75/100 guarantee policy	1.38	1.39	—	—	—
PPS 75/100 guarantee policy	0.98	0.99	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	12.74	26.44	0.27	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INDEX ETF BALANCED PORTFOLIO FUND 2.00PSG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Index ETF Balanced Portfolio Fund 2.00PSG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Index ETF Balanced Portfolio Fund 2.00PSG

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	45,898	12,029
Total investments	45,898	12,029
Total assets	\$ 45,898	\$ 12,029
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 45,898	\$ 12,029

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 3,748	\$ 740
Miscellaneous income (loss)	—	—
Total income (loss)	3,748	740
Expenses		
Management fees (note 8)	550	107
Other	62	11
Total expenses	612	118
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 3,136	\$ 622

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 12,029	\$ 696
Contractholder deposits	33,271	12,005
Contractholder withdrawals	(2,538)	(1,294)
Increase (decrease) in net assets from operations attributable to contractholders	3,136	622
Change in net assets attributable to contractholders	33,869	11,333
Net assets attributable to contractholders - end of year	\$ 45,898	\$ 12,029

Index ETF Balanced Portfolio Fund 2.00PSG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 3,136	\$ 622
Adjustments		
Realized (gains) losses	(66)	(17)
Unrealized (gains) losses	(3,682)	(723)
Gross proceeds of disposition of investments	758	1,006
Gross payments for the purchase of investments	(30,879)	(11,599)
	<u>(30,733)</u>	<u>(10,711)</u>
Financing Activities		
Contractholder deposits	33,271	12,005
Contractholder withdrawals	(2,538)	(1,294)
	<u>30,733</u>	<u>10,711</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	<u>—</u>	<u>—</u>
Cash, short-term deposits and overdrafts, end of year	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

Index ETF Balanced Portfolio Fund 2.00PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Aggregate Bond ETF Fund 1.44GLC	8,797	9,205
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Aggregate Bond Index ETF *	100.00%	
Canadian Equity Index ETF Fund 1.96MI	7,199	8,286
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed ex-North American Aggregate Bond Index ETF Fund 2.03MI	1,779	1,831
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Developed Ex-North America Aggregate Bond Hedged to CAD Index ETF *	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	437	458
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets Equity Index ETF Fund 2.05MI	1,253	1,374
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Equity Hedged to CAD Index ETF *	100.00%	

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Balanced Portfolio Fund 2.00PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Index ETF Fund 1.82MI	6,427	6,885
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie International Equity Index ETF *	100.00%	
U.S. Aggregate Bond Index ETF Fund 2.02MI	6,817	6,891
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie International Equity Index ETF *	100.00%	
US Large Cap Equity Index ETF Fund 1.84MI	8,730	10,968
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Large Cap Index ETF *	100.00%	
Total Investments	41,439	45,898

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Balanced Portfolio Fund 2.00PSG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Seed money units, as described in note 8 c), are allocated to each category and are included on this page.

Net Assets Attributable to Contractholders by Category ⁽¹⁾

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	820,007	309,601	33,968	—	—	10,549	3,534	352	—	—
75/100 guarantee policy	805,394	220,334	32,287	—	—	10,299	2,507	334	—	—
100/100 guarantee policy	55,906	10,834	—	—	—	711	123	—	—	—
PS1 75/75 guarantee policy	907,619	269,627	917	—	—	11,724	3,084	10	—	—
PS1 75/100 guarantee policy	665,821	125,628	—	—	—	8,580	1,435	—	—	—
PS1 100/100 guarantee policy	28,086	15,418	—	—	—	361	176	—	—	—
PS2 75/75 guarantee policy	94,090	64,906	—	—	—	1,274	761	—	—	—
PS2 75/100 guarantee policy	93,657	9,425	—	—	—	1,268	110	—	—	—
PS 75/75 guarantee policy	23,159	24,980	—	—	—	305	289	—	—	—
PS 75/100 guarantee policy	39,155	—	—	—	—	513	—	—	—	—
PPS 75/75 guarantee policy	22,353	—	—	—	—	296	—	—	—	—
PPS 75/100 guarantee policy	1,337	829	—	—	—	18	10	—	—	—

Net Assets Attributable to Contractholders Per Unit ⁽¹⁾ (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	12.87	11.41	10.36	—	—	1.46	1.05
75/100 guarantee policy	12.79	11.38	10.35	—	—	1.41	1.03
100/100 guarantee policy	12.71	11.34	—	—	—	1.37	0.99
PS1 75/75 guarantee policy	12.92	11.44	10.36	—	—	1.48	1.08
PS1 75/100 guarantee policy	12.89	11.42	—	—	—	1.47	1.06
PS1 100/100 guarantee policy	12.84	11.40	—	—	—	1.44	1.04
PS2 75/75 guarantee policy	13.54	11.73	—	—	—	1.81	1.33
PS2 75/100 guarantee policy	13.54	11.73	—	—	—	1.81	1.33
PS 75/75 guarantee policy	13.18	11.56	—	—	—	1.62	1.18
PS 75/100 guarantee policy	13.10	—	—	—	—	1.58	—
PPS 75/75 guarantee policy	13.23	—	—	—	—	1.64	—
PPS 75/100 guarantee policy	13.20	11.57	—	—	—	1.63	1.19

⁽¹⁾ The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Index ETF Balanced Portfolio Fund 2.00PSG (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Index ETF Balanced Portfolio Fund 2.00PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Index ETF Balanced Portfolio Fund 2.00PSG

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.37	2.33	2.33	—	—
75/100 guarantee policy	2.65	2.61	2.61	—	—
100/100 guarantee policy	2.93	2.88	—	—	—
PS1 75/75 guarantee policy	2.18	2.15	2.15	—	—
PS1 75/100 guarantee policy	2.29	2.26	—	—	—
PS1 100/100 guarantee policy	2.46	2.42	—	—	—
PS 75/75 guarantee policy	1.25	1.23	—	—	—
PS 75/100 guarantee policy	1.53	—	—	—	—
PPS 75/75 guarantee policy	1.06	—	—	—	—
PPS 75/100 guarantee policy	1.17	1.15	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	2.72	16.99	27.51	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.

Financial Statements of
THE CANADA LIFE ASSURANCE COMPANY
INDEX ETF GROWTH PORTFOLIO FUND 2.01PSG

December 31, 2024

Independent Auditor's Report

To the Contractholders of Index ETF Growth Portfolio Fund 2.01PSG (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to contractholders and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants

Winnipeg, Manitoba

March 13, 2025

Index ETF Growth Portfolio Fund 2.01PSG

(in Canadian \$ thousands)

Fund Manager: Portfolio Solutions Group, a division of Canada Life Investment Management Ltd.

Statement of Financial Position

	December 31 2024	December 31 2023
Assets		
Cash and short-term deposits	\$ —	\$ —
Investment income due and accrued	—	—
Due from The Canada Life Assurance Company (note 8)	—	—
Due from brokers	—	—
Due from outside parties	—	—
Investments		
Investment fund units (note 3)	22,029	4,607
Total investments	22,029	4,607
Total assets	\$ 22,029	\$ 4,607
Liabilities		
Overdrafts	\$ —	\$ —
Due to The Canada Life Assurance Company (note 8)	—	—
Due to brokers	—	—
Due to outside parties	—	—
Total liabilities excluding net assets attributable to contractholders	—	—
Net assets attributable to contractholders	\$ 22,029	\$ 4,607

Statement of Comprehensive Income

For the years ended	December 31 2024	December 31 2023
Income		
Net gain (loss) on investments	\$ 2,102	\$ 324
Miscellaneous income (loss)	—	—
Total income (loss)	2,102	324
Expenses		
Management fees (note 8)	239	34
Other	24	3
Total expenses	263	37
Net increase (decrease) in net assets from operations attributable to contractholders	\$ 1,839	\$ 287

Statement of Changes in Net Assets Attributable to Contractholders

For the years ended	December 31 2024	December 31 2023
Net assets attributable to contractholders - beginning of year	\$ 4,607	\$ 229
Contractholder deposits	16,230	4,323
Contractholder withdrawals	(647)	(232)
Increase (decrease) in net assets from operations attributable to contractholders	1,839	287
Change in net assets attributable to contractholders	17,422	4,378
Net assets attributable to contractholders - end of year	\$ 22,029	\$ 4,607

Index ETF Growth Portfolio Fund 2.01PSG

(in Canadian \$ thousands)

Statement of Cash Flows

For the years ended December 31

	2024	2023
Net Inflow (Outflow) of Cash Related to the Following Activities		
Operating Activities		
Increase (decrease) in net assets from operations attributable to contractholders	\$ 1,839	\$ 287
Adjustments		
Realized (gains) losses	(65)	(4)
Unrealized (gains) losses	(2,037)	(320)
Gross proceeds of disposition of investments	569	174
Gross payments for the purchase of investments	(15,889)	(4,228)
	<u>(15,583)</u>	<u>(4,091)</u>
Financing Activities		
Contractholder deposits	16,230	4,323
Contractholder withdrawals	(647)	(232)
	<u>15,583</u>	<u>4,091</u>
Net increase (decrease) in cash, short-term deposits and overdrafts	—	—
Cash, short-term deposits and overdrafts, beginning of year	—	—
Cash, short-term deposits and overdrafts, end of year	<u>\$ —</u>	<u>\$ —</u>

Index ETF Growth Portfolio Fund 2.01PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units		
Canadian Aggregate Bond ETF Fund 1.44GLC	2,132	2,209
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Aggregate Bond Index ETF *	100.00%	
Canadian Equity Index ETF Fund 1.96MI	4,670	5,296
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Canadian Equity Index ETF *	100.00%	
Developed ex-North American Aggregate Bond Index ETF Fund 2.03MI	431	441
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Developed Ex-North America Aggregate Bond Hedged to CAD Index ETF *	100.00%	
Emerging Markets Bond Index ETF Fund 2.04MI	106	110
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Bond Index ETF *	100.00%	
Emerging Markets Equity Index ETF Fund 2.05MI	818	882
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie Emerging Markets Equity Hedged to CAD Index ETF *	100.00%	

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Growth Portfolio Fund 2.01PSG

Schedule of Investment Portfolio

(in Canadian \$ thousands)

As at December 31, 2024

	<u>Average Cost</u>	<u>Fair Value</u>
Investment Fund Units (continued)		
International Equity Index ETF Fund 1.82MI	4,165	4,408
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie International Equity Index ETF *	100.00%	
U.S. Aggregate Bond Index ETF Fund 2.02MI	1,649	1,655
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Aggregate Bond Hedged to CAD Index ETF *	100.00%	
US Large Cap Equity Index ETF Fund 1.84MI	5,746	7,028
<u>Top Holdings:</u>	<u>% of Total</u>	
Mackenzie US Large Cap Index ETF *	100.00%	
Total Investments	19,717	22,029

*The issuer of this security is a related company to the issuer of the Fund.

Index ETF Growth Portfolio Fund 2.01PSG

(in Canadian \$, except number of units outstanding)

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance. Seed money units, as described in note 8 c), are allocated to each category and are included on this page.

Net Assets Attributable to Contractholders by Category ⁽¹⁾

For the years ended December 31

	Number of units outstanding					Net asset value (in \$ thousands)				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
75/75 guarantee policy	416,927	80,475	15,820	—	—	5,699	939	164	—	—
75/100 guarantee policy	314,120	110,488	6,265	—	—	4,268	1,284	65	—	—
100/100 guarantee policy	26,700	4,065	—	—	—	360	47	—	—	—
PS1 75/75 guarantee policy	306,157	26,656	—	—	—	4,202	312	—	—	—
PS1 75/100 guarantee policy	252,279	58,613	—	—	—	3,454	684	—	—	—
PS1 100/100 guarantee policy	10,339	2,965	—	—	—	141	35	—	—	—
PS2 75/75 guarantee policy	104,039	—	—	—	—	1,498	—	—	—	—
PS 75/75 guarantee policy	51,560	6,940	—	—	—	722	82	—	—	—
PS 75/100 guarantee policy	7,071	—	—	—	—	98	—	—	—	—
PPS 75/75 guarantee policy	101,612	103,389	—	—	—	1,429	1,224	—	—	—
PPS 75/100 guarantee policy	11,292	—	—	—	—	158	—	—	—	—

Net Assets Attributable to Contractholders Per Unit ⁽¹⁾ (note 7)

For the years ended December 31

	Net asset value per unit (\$)					Increase (decrease) per unit (\$)	
	2024	2023	2022	2021	2020	2024	2023
75/75 guarantee policy	13.67	11.66	10.39	—	—	2.01	1.27
75/100 guarantee policy	13.59	11.63	10.38	—	—	1.96	1.25
100/100 guarantee policy	13.49	11.58	—	—	—	1.91	1.20
PS1 75/75 guarantee policy	13.72	11.69	—	—	—	2.03	1.30
PS1 75/100 guarantee policy	13.69	11.67	—	—	—	2.02	1.28
PS1 100/100 guarantee policy	13.61	11.64	—	—	—	1.97	1.26
PS2 75/75 guarantee policy	14.40	—	—	—	—	2.40	—
PS 75/75 guarantee policy	14.01	11.82	—	—	—	2.19	1.41
PS 75/100 guarantee policy	13.92	—	—	—	—	2.14	—
PPS 75/75 guarantee policy	14.06	11.84	—	—	—	2.22	1.43
PPS 75/100 guarantee policy	14.03	—	—	—	—	2.20	—

⁽¹⁾ The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

1. THE FUND

The Index ETF Growth Portfolio Fund 2.01PSG (the Fund) is offered by The Canada Life Assurance Company (Canada Life or the Company).

The Company is the sole issuer of the insurance contracts providing for investment in the Fund. The assets of the Fund are owned by the Company and are segregated from the other assets of the Company. The Fund is not a separate legal entity. The Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for the contractholders, who are the ultimate beneficiaries of the Fund. The Fund's investment activities are overseen by the Company.

The Company is a wholly-owned subsidiary of Great-West Lifeco Inc. (Lifeco), a publicly listed company incorporated and domiciled in Canada. Lifeco is a member of the Power Corporation of Canada (Power Corporation) group of companies and is a subsidiary of Power Corporation.

The Fund's registered office is at 100 Osborne Street North, Winnipeg, Manitoba, Canada, R3C 1V3.

The financial statements of the Fund as at and for the year ended December 31, 2024 were approved for issue by the Company on March 13, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in compliance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Uniform accounting policies were applied in the preparation of the Fund's financial statements. The financial statements of the Fund have also been prepared in accordance with the requirements of Part XII of the Canadian Life and Health Insurance Association Guideline G2.

a) Use of Estimates, Significant Accounting Judgments and Assumptions

The preparation of the Fund's financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities at the reporting date and the reported amount of revenues and expenses during the reporting period. The valuation of investments is the most significant component of the financial statements subject to estimates. Although some variability is inherent in these judgments and assumptions, the Fund believes that the amounts recorded are reasonable.

When the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, the fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this information is not available, estimation is required in establishing fair values. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the financial instruments are disclosed in the fair value hierarchy. Actual results could differ from these estimates.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9, *Financial Instruments*. The Company has assessed the Fund's business model, the manner in which all financial instruments are managed and the requirements of other accounting standards, and has concluded that fair value through profit and loss (FVTPL) provides the most appropriate measurement and presentation of the Fund's financial instruments.

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

In the judgment of management, the Fund meets the definition of an investment entity. This conclusion will be reassessed on a periodic basis, if any changes in criteria or circumstances exist.

b) Fair Value Measurement and Classification

The fair value of financial assets and liabilities have been categorized based upon the following fair value hierarchy:

Level 1: Fair value measurements utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund has the ability to access. Assets and liabilities utilizing Level 1 inputs include equity securities that are actively traded on an exchange, exchange-traded futures and underlying mutual funds which have available prices in an active market with no redemption restrictions.

Level 2: Fair value measurements utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities were obtained from a pricing service. The pricing service inputs include, but are not limited to, benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, offers and reference data. Level 2 assets and liabilities include those priced using a matrix which is based on credit quality and average life, and generally include some private bonds and equities, most investment-grade and high-yield corporate bonds, most asset-backed securities, most over-the-counter derivatives, and mortgage loans.

Level 3: Fair value measurements utilize one or more significant inputs that are not based on observable market inputs and include situations where there is little, if any, market activity for the asset or liability. The values of the majority of Level 3 securities were obtained from single broker quotes, internal pricing models, or external appraisers. Assets and liabilities utilizing Level 3 inputs generally include certain bonds and private investments.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values of financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Additional disclosures relating to transfers between levels and a reconciliation of beginning and ending balances in Level 3 are included in the notes to the Schedule of Investment Portfolio, where applicable.

Level 3 financial instruments are reviewed on a periodic basis by the Company. The Company considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognized as standard within the industry. The Company estimates the fair value of bonds not traded in active markets by referring to actively traded securities with similar attributes, dealer quotations, matrix pricing methodology, discounted cash flow analyses and/or internal valuation models. This methodology considers such factors as the issuer's industry, the security's rating, term, coupon rate and position in the capital structure of the issuer, as well as, yield curves, credit curves, prepayment rates and other relevant factors. For bonds that are not traded in active markets, valuations are adjusted to reflect illiquidity, and such adjustments generally are based on available market evidence. In the absence of such evidence, management's best estimate is used.

Transfers into Level 3 are due primarily to decreased observability of inputs in valuation methodologies. Transfers out of Level 3 are due primarily to increased observability of inputs in valuation methodologies as evidenced by corroboration of market prices with multiple pricing vendors.

The Fund's fair value hierarchy classification of its assets and liabilities is included in note 9 on Financial Instrument Risk Management.

Upon initial recognition, the Fund classifies and measures all financial assets and financial liabilities in the Statement of Financial Position at FVTPL. The financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. The Fund's policy is not to apply hedge accounting.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Investment Fund Units

Investment fund units are recorded at fair value, which is the closing net asset value (NAV) per unit of the underlying fund.

d) Cash, Short-term Deposits and Overdrafts

Cash, short-term deposits and overdrafts are comprised of cash on deposit, short-term deposits and overdrafts with terms to maturity of less than three months at acquisition. Due to the nature of these assets being highly liquid and having short terms to maturity, these items are reported at fair value, which approximates their cost.

e) Classification of Units Issued by the Fund

The units of the Fund are classified as financial liabilities under IFRS as the Fund is contractually obligated to repurchase or redeem them for cash or another financial asset when the units are disposed. The net assets attributable to contractholders are classified as FVTPL.

f) Recognition of Investments and Income

Financial investment purchases and sales are recorded when the Fund becomes a party to the contractual provisions of the instrument on a trade date basis.

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value.

The accrual basis of accounting is used to record all types of investment income earned and expenses incurred by the Fund.

The following are included in net gain (loss) on investments on the Statement of Comprehensive Income:

Realized gains (losses) on investments - recorded upon the sale or maturity of an asset and determined using the average cost basis.

Unrealized gains (losses) on investments - calculated as the in-year change in fair value of the investment and determined using the average cost basis.

After initial measurement, the Fund classifies and measures financial instruments as FVTPL at the reporting date. Changes in the fair value are recorded in net gain (loss) on investments in the Statement of Comprehensive Income.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency

The financial statements have been presented in Canadian dollars, which is the currency of the primary economic environment in which the Fund is domiciled and is the Fund's functional currency.

Foreign currency translations are calculated using the exchange rate in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gains or losses generated by foreign exchange are recorded in the Statement of Comprehensive Income within net gain (loss) on investments.

g) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

h) Amounts Due to/from Broker

Amounts due to brokers are payables for securities purchased that have been contracted for, but not yet delivered, on the reporting date.

Amounts due from brokers include margin accounts and receivables for securities sold that have been contracted for, but not yet delivered, on the reporting date.

Amounts due to/from brokers are held at fair value which approximates their cost.

Amounts due to/from brokers are settled within a few business days of the reporting date. All securities are purchased and sold in regular way transactions.

i) Amounts Due to/from Outside Parties

Amounts due to outside parties are payables to parties other than related parties of the Fund.

Amounts due from outside parties are receivables due from parties other than related parties of the Fund.

Amounts due to/from outside parties are held at fair value which approximates their cost.

j) Other Expenses

Other expenses consist primarily of securities handling charges. All these expenses are paid to third parties. The accrual basis of accounting is used to record all types of expenses incurred by the Fund.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Income Allocation

Net gain (loss) on investments, which includes realized gains and losses and unrealized gains and losses, accrues to each contractholder through the increase (decrease) of the NAV per unit.

l) Issue and Redemption of Units

Units attributable to contractholders are redeemable at the contractholders' option at prices based on the Fund's NAV per unit at the time of redemption and are therefore classified as financial liabilities.

Units are issued and redeemed at their NAV per unit established as noted in the information folder of the Fund.

The Fund's obligation for net assets attributable to contractholders is presented at the redemption amount at the reporting date. The deposits and withdrawals of contractholders are adjusted for inter-fund transfers.

m) Future Accounting Policies

In April 2024, the IASB published IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18). The standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the statement of earnings.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Fund is evaluating the impact of the adoption of this standard.

3. INVESTMENT FUND UNITS

Investment fund units of the Fund invest solely in units of other segregated investment funds of Canada Life. Units are valued based on the closing unit values of the underlying funds.

Investment activity of the underlying fund indirectly exposes the Fund to financial risk. See note 9 on Financial Instrument Risk Management.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

4. DESCRIPTION OF UNITS

The capital of the Fund is divided into categories of units.

Individual units are available to individuals for investment in:

- Registered Retirement Savings Plans,
- Registered Savings Plans,
- Tax Free Savings Accounts, and
- Non-Registered Savings Plans through the purchase of an Individual Savings Contract or a Retirement Income Fund.

Individual units are available under these different options:

- Option S1R 75/75 guarantee policy,
- Option S1HB Preferred Series 1 (PS1) 75/75 guarantee policy,
- Option S1HU Preferred Series 2 (PS2) 75/75 guarantee policy,
- Option S1RF Partner Series (PS) 75/75 guarantee policy,
- Option S1HF Preferred Partner Series (PPS) 75/75 guarantee policy,
- Option S2R 75/100 guarantee policy,
- Option S2HB PS1 75/100 guarantee policy,
- Option S2HU PS2 75/100 guarantee policy,
- Option S2RF PS 75/100 guarantee policy,
- Option S2HF PPS 75/100 guarantee policy,
- Option S3R 100/100 guarantee policy,
- Option S3HB PS1 100/100 guarantee policy,
- Option S3HU PS2 100/100 guarantee policy,
- Option S3RF PS 100/100 guarantee policy, and
- Option S3HF PPS 100/100 guarantee policy.

The categories of units are accounted for separately and any increases or decreases in net assets attributable to contractholders during the year are allocated proportionately to each category.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

5. CAPITAL MANAGEMENT

The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's offering document. Units are redeemed at the NAV per unit of a Fund on the redemption date. The capital received by a Fund is utilized within the respective investment mandate of the Fund.

6. INCOME TAXES

The Fund is deemed to be a trust under the provisions of the *Income Tax Act* (Canada). Income of a segregated fund is deemed to be payable to the contractholders and therefore the Fund will not have taxable income. In addition, capital gains and losses are deemed to be those of the contractholders and not of the Fund. Realized gains or losses may be reduced by the amount of gains or losses realized by contractholders on the redemption of their investment. As a result, no provision of income tax is required in the financial statements of the Fund.

Foreign investment income is subject to withholding tax deducted at the source of the income in some jurisdictions. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income. The Fund presents the withholding tax separately from the net gain (loss) on investments in the Statement of Comprehensive Income.

7. NET ASSETS ATTRIBUTABLE TO CONTRACTHOLDERS PER UNIT

The presentation of unit values is broken down by contractholder category.

Net increase (decrease) in net assets from operations attributable to contractholders per unit per category is calculated by dividing the net increase (decrease) in net assets attributable to contractholders from operations as disclosed in the Statement of Comprehensive Income, by the weighted average number of units of each category outstanding during the year.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

8. RELATED PARTY TRANSACTIONS

Lifeco is the parent of the Company as well as a member of the Power Corporation group of companies. Through this relationship, the Company is related to IGM Financial Inc., a company in the financial services sector, along with its subsidiaries I.G. Investment Management, Ltd. and Mackenzie Financial Corporation.

The financial statements of the Fund may include transactions with the following related parties to the Company:

Related party	Relationship	Incorporated in
Canada Life Investment Management Ltd.	Wholly-owned subsidiary of the Company	Canada
Setanta Asset Management Limited	Indirect wholly-owned subsidiary of the Company	Ireland
Putnam Investments, LLC ⁽¹⁾	Wholly-owned subsidiary of Lifeco	United States
IGM Financial Inc.	Subsidiary of Power Corporation	Canada
Canada Life Asset Management Limited	Indirect wholly-owned subsidiary of the Company	United Kingdom
Irish Life Investment Managers Limited	Indirect wholly-owned subsidiary of the Company	Ireland

⁽¹⁾ On January 1, 2024, Lifeco completed the sale of Putnam US Holdings I, LLC (excluding PanAgora Holdings Inc. and its subsidiary PanAgora Asset Management Inc.) to Franklin Resources Inc. Putnam US Holdings I, LLC was a subsidiary of Putnam Investments, LLC and was the indirect parent company of Putnam Investments Canada ULC, which managed certain segregated funds for the Company.

- a) The Company provides management, advisory and administrative services to the Fund which includes the services of key management personnel. In respect of these services, the Fund is charged management and other fees that are at market terms and conditions. Management and other fees for Preferred Series 2 categories are charged directly to the contractholder by redeeming units from their policy. Management fees and other fees charged to other categories are calculated at set rates applied against the net assets of the specific category at each valuation date.
- b) The amounts shown as "Due from (to) The Canada Life Assurance Company" represent outstanding management fees, uncleared deposits/withdrawals and investment activity as at the December 31 valuation dates of the Fund.
- c) The Fund invests in assets or underlying funds managed by Canada Life Investment Management Ltd. All investment transactions with the corresponding underlying funds are at quoted market prices.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT

a) Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2024. The following sections describe the significant risks that are relevant to the Fund.

The Fund employs a passive investment strategy whereby investments in underlying funds are based on target asset weightings. The target weightings allocated to each underlying fund and the selection of underlying funds are based on several factors, including impact to the Fund's volatility and asset class diversification. Significant changes to the selection of underlying funds or the target asset weightings attributed to each underlying fund require contractholder notification. To assist with managing risk, the Fund Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and other regulations. Financial statements for the underlying funds, which include discussions about their respective risk exposure, are available upon request.

b) Liquidity Risk

Liquidity risk arises when a Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. As the Fund primarily invests all of its net assets in the underlying funds, liquidity risk is mitigated by the underlying funds' ability to meet the obligation to fund daily cash redemptions of their redeemable units/shares. In addition, the underlying funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity.

c) Currency Risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The Fund's investments in all underlying funds are denominated in Canadian dollars. However, the Fund is indirectly exposed to currency risk to the extent that the investments of the underlying funds are denominated or traded in a foreign currency.

d) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund does not directly hold any interest-bearing financial instruments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the underlying funds will fluctuate due to changes in the prevailing levels of market interest rates.

e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund has no direct exposure to credit risk. The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt investments represents the maximum credit risk exposure as at December 31, 2024.

Index ETF Growth Portfolio Fund 2.01PSG

Notes to the Financial Statements

(in Canadian \$ thousands)

9. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate, currency or credit risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Fund Manager moderates this risk through a careful selection of underlying funds within the parameters of the investment strategy.

g) Fair Value Classification

Investment Fund Units are recorded at fair value, which is the closing NAV per unit of the underlying fund. This valuation is considered to be a Level 2 classification.

Index ETF Growth Portfolio Fund 2.01PSG

Supplemental Information *(unaudited)*

The following tables show selected key financial information about the Fund and are intended to help users of the financial statements understand the Fund's financial performance.

Management Expense Ratio (%) ⁽¹⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
75/75 guarantee policy	2.40	2.39	2.39	—	—
75/100 guarantee policy	2.67	2.66	2.67	—	—
100/100 guarantee policy	3.00	2.99	—	—	—
PS1 75/75 guarantee policy	2.21	2.20	—	—	—
PS1 75/100 guarantee policy	2.32	2.31	—	—	—
PS1 100/100 guarantee policy	2.60	2.59	—	—	—
PS 75/75 guarantee policy	1.29	1.28	—	—	—
PS 75/100 guarantee policy	1.57	—	—	—	—
PPS 75/75 guarantee policy	1.11	1.10	—	—	—
PPS 75/100 guarantee policy	1.23	—	—	—	—

Portfolio Turnover Rate (%) ⁽²⁾⁽³⁾

For the years ended December 31	2024	2023	2022	2021	2020
Portfolio Turnover Rate	4.55	9.64	0.29	—	—

(1) The management expense ratio has been calculated as the aggregate of all fees, taxes, charges and other expenses incurred during the year divided by the average daily net asset value of the segregated fund attributable to the particular fee option. All ratios shown are on an annual basis. In circumstances where the particular fund or fee option did not have twelve months of exposure, the ratios have been annualized. Management expense ratios are calculated for Individual Customer, Wealth Solutions clients only. No management expense ratio is calculated for the Preferred Series 2 guarantee policy as such fees are charged directly to the contractholder.

(2) The portfolio turnover rates presented in the financial statements reflects the Canadian Life and Health Insurance Association Inc. (CLHIA) Guideline G2, Individual Variable Insurance Contracts Relating to Segregated Funds 12.3(a)(iii). The portfolio turnover rates indicate how actively the portfolio investments have been bought or sold throughout the year. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year.

(3) The Fund commenced on October 24, 2022 and as a result does not have comparative figures for the prior years.